A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

March 31, 1969

International Trade Winds

Company News

CONSTRUCTION MACHINERY—Construction of what ranks as one of the world's largest iron ore ports has been completed at Port of Salazar, Angola, using a fleet of 14 construction machinery units made by Allis-Chalmers, Milwaukee. The Angolan firm of Lourenco, Ltda., headquartered in the country's capital of Luanda, moved over 665,000 cubic meters of rock in five months to meet shipping schedules planned for the port.

NICKEL MINING—Armco Steel Corp., Middletown, O., has acquired a minority interest in a new nickel mining venture planned for the Dominican Republic. Armco has purchased a 16.4% interest in the mining project from Falconbridge Nickel Mines, Ltd., Toronto, Canada, which will build a $180 million mining and metallurgical complex in the Dominican Republic to produce upwards of 63 million pounds of ferro-nickel annually. Plans call for the new plant to begin operations late in 1971. Armco currently operates manufacturing facilities in 22 foreign countries, and has an interest in iron ore production in Canada.

PLANT ENGINEERING—M. W. Kellogg Co., a division of Pullman, Inc., New York, has received a contract for design and engineering of what is said to be the world's largest ammonia plant. The installation, with a design capacity of 1,700 tons of ammonia per day, is being planned for construction by Sumitomo Chemical Engineering Co., and operation by Nihon Ammonia, Ltd. Nihon Ammonia is jointly owned by four Japanese companies. The Kellogg-designed plant, set to be put into operation late next year, will add to Japan's ammonia capacity, and will replace some older, obsolete plants.

HOTELS—Inter-Continental Hotels Corp., New York, has just opened the new Hotel Inter-Continental Duesseldorf, a 316-room hotel in the In der Lohe section of Duesseldorf, Germany. The newest link in the Inter-Continental chain features three private dining rooms, a large grand ballroom, and a rooftop restaurant and bar. The new hotel is Inter-Continental's tenth in Europe, and fourth in Germany. Others in Germany are Frankfurt, Berlin, and Hanover.

Newsletter

For the first time, products of the electrical power supply industry will be brought together as a unified exhibition group in Southeast Asia. It will occur at the Bangkok U.S. Trade Center Apr. 28 to May 2. The show developed out of a detailed study of Thailand's electric power requirements over the next ten years, contracted for by the Agency for International Development. A broad range of electrical equipment, apparatus and supplies will be needed to bring more power tc this lively market area.

Heard from an agent or subsidiary in Germany about the advantages of using the Frankfurt U.S. Trade Center between the scheduled shows there? The story has been told to 1,200 German firms with U.S. connections in a message from the Trade Center officials. The message is, of course, aimed at the U.S. home offices—with some footnotes to be supplied by German executives who know what the exposure at the Center can mean.

One such advantage at Frankfurt is access to a file of 20,000 key corporate executives in Germany who have the authority and the technical knowledge to influence the purchase of U.S. equipment by their companies. This file is continuously updated at the Trade Center as a result of promotional activities attendant to the regular shows.

On-the-spot AID financing that waives some notification requirements will be a feature of the U.S. Commercial Exhibit at Seoul, Korea, in May. In the Korean market, where availability of financing comes high on the list of sales factors, this additional source of credit will have significant sales effects. This was also shown at the U.S Exhibition at San Salvador last fall.

Among the many corporate reports now reaching shareholders is that of Caterpillar. It puts first attention on the current problems in the U.S. balance of payments. The Peoria heavy equipment maker, which made 47% of its record '68 sales of $1,707 million outside the U.S. and brought an inflow of $588 million into the country through its operations, ties company policies to U.S. national interests in a wide-ranging review of the world trade situation. In asking that non-tariff barriers and other trade obstacles be eliminated, the company says "Caterpillar seeks no protection from competition in the United States or in any of the countries which host its subsidiaries and affiliates."

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

A ceremony noting the 100th overseas commercial exhibition staged by the U.S. Department of Commerce was held in the lobby of the Department's Washington headquarters. Against the background of an exhibit of photo highlights of the 100 shows, Commerce Secretary Maurice H. Stans discusses with Belgian Ambassador Louis Schuyven the show that rounded out the first 100, the U.S. Exhibition at Europlastica in Brussels. Story is on page 2.

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Commerce Overseas Trade Fairs Hit 100 Mark 2
Thirty-six U.S. companies participated in Europlastica '69, the third international plastics exhibition

Secretary Stans to Lead European Trade Trip 7
Commerce Secretary will head delegation from eight Federal units on visit originated by President

IEA Emphasizes Shifts Toward International Operations 8
Executives at New York convention note that one-third of members do not fit conventional export mold

Argentine Stabilization Improves Investment Climate 12
Government drive to halt inflation succeeding without economic recession, thus producing sustained growth, stable prices

Belgian Exports and Imports Increasing 13
Downward trend of economy reversed, as industrial production grew in 1968 by 3%, GNP climbed by 4%

Iran Beckons U.S. Trade, Investment 15
U.S. firms could sell much more machinery, semi-manufactured supplies if credit measures were improved

Colombia Expects to Import More in 1969 23
Government plans to reduce import duties and prior deposits for items essential to industry, economic development

MISCELLANEOUS—U.S. seeks broadened textile agreement 7
Florida World Trade Conference to open Apr. 9 in Palm Beach 9
Foreign affiliates of U.S. firms increasing expenditures 10
World Bank lends $92 million for projects in four nations 11
WORLDWIDE BUSINESS OUTLOOK—Brazil offers market prospects 20
Despite pressures, Turkey aims at 7% GNP annual growth 24
Upper Volta emerges from economic slump 26
FOREIGN GOVERNMENT ACTIONS—Indian budget message is optimistic 28
Visitors to France urged to use caution in exchanging money 29
'Aid Ceylon' consortium meets in Paris; endorses nation's progress 29
INVESTMENT, LICENSING OPPORTUNITIES—Licenses offered to U.S. firms 30
Uruguayan agency seeks foreign partner in developing black sand deposits 31
WORLD TRADE OPPORTUNITIES—Argentines to build water treatment plant 33
NEW BOOKS AND REPORTS—New 864-page Directory of Canada published 40

For next 100 shows: five-year planning period

Secretary of Commerce Maurice H. Stans, opening an exhibit marking the Department's 100th showing of American products in foreign trade fairs, announced an important step forward in overseas commercial exhibitions.

To aid export expansion, Secretary Stans said, Commerce will start planning five years in advance for U.S. industry participation in future commercial exhibitions.

The 100th show—an exhibition of equipment and materials for the plastics industry—just closed at Europlastica '69 in Brussels, Belgium. The Washington ceremony coincided with ceremonies marking America Day at the show.

Also taking part in the ceremony were Belgian Ambassador Louis Scheyven and Philip A. Singleton, president of the Society of the Plastics Industry (SPI).

On behalf of SPI, Singleton presented a certificate recognizing the Commerce Department contribution to the growth of the U.S. plastics industry through the overseas commercial exhibition program. He said "the results of this program have been truly spectacular."

In the past, U.S. participation in foreign trade fairs has been planned on an 18-month basis. After summarizing the history of the program, Secretary Stans said:

"We have laid out a five-year program of Commerce participation at the more important and prominent international trade fairs throughout the world. The Department of Commerce will publish a list of these fairs and invite industry to indicate its intent of participation."

Secretary Stans cited these advantages in the change:

1. It will provide greater export opportunity for firms that have never sold abroad, or have not sold in the market area of a specific exhibition.

2. Industry will have more time to prepare to exhibit in specific fairs.

3. Commerce will be able to reserve space far enough in advance to assure U.S. exhibitors of a solid block in the most desirable locations.

"With such refinements in our planning techniques, the Department proceeds to its next 100 shows, prepared to provide U.S. business with even better service in a mutual effort to increase export sales."

Trade fairs at 100 mark

Commerce overseas exhibitions in 30 lands brought more than $200 million in sales

Thirty-six U.S. companies helped mark a milestone for America's export expansion efforts last week when they participated in the 100th overseas commercial exhibition staged by the U.S. Department of Commerce.

Held Mar. 22-30 in Brussels, Belgium, the 100th show capped six years of a program that has brought more than $200 million in sales for some 4,000 U.S. exhibitors, and has helped them find hundreds of foreign representatives to continue selling for them on a long-term basis.

The Brussels show—officially the Commerce Department entry in the international plastics exhibition, Europlastica '69—featured American-made production equipment and materials for the plastics industry.

The U.S. exhibitors sent 53 top corporate executives to demonstrate and sell their products and to establish licensees, distributors and sales agents during the show.

Commerce inaugurated the overseas commercial exhibitions program with an exhibit featuring 32 U.S. makers of general industrial equipment at the Royal Netherlands Fair in Utrecht, Netherlands, Mar. 11-19, 1963.

Since then, Commerce has conducted trade fair exhibitions in 30 countries on six continents. More have been in Germany (17) than in any other country, with France (10) second. Exhibitions have been held in Australia, Austria, Belgium, Brazil, Chile, El Salvador, Finland, France, Germany, Ghana, Greece, Israel, Italy, Japan, Libya, Mexico, Netherlands, New Zealand, Peru, Soviet Union, Singapore, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, Venezuela and Yugoslavia.

Companies from 45 states and the District of Columbia have taken part.

SECRETARY OF COMMERCE Maurice H. Stans (at right, below) accepts a certificate of appreciation for Commerce contributions to plastics industry from Philip A. Singleton, president of the Society of the Plastics Industry, at a public ceremony held last week at the Department of Commerce in Washington.

The Commerce exhibitions have introduced a wide variety of U.S. products to foreign buyers. The list includes computers, machine tools, food processing equipment, packaging equipment, electronic equipment, nuclear equipment, automotive service equipment, laundry and dry-cleaning equipment, aviation equipment, chemicals, furniture, aerospace products, hotel and restaurant equipment, and oceanographic research equipment.

Europlastica '69 is the third international plastics exhibition. The first two were held in Belgium in 1961 and 1965. Plastics consumption in the Benelux countries rose to 300,000 metric tons in 1966, climbed to 438,000 tons in 1967 and is expected to reach 590,000 tons by 1970. The boom in plastics production has spurred demands beyond the production capability of equipment manufacturers in such countries as Belgium and the Netherlands.

The Commerce Department entry in Europlastica featured a complete array of advanced U.S. equipment and products, many of which were introduced to the European market for the first time.

Included in the U.S. exhibits were a complete laboratory extrusion set-up developed primarily for use in vocational education, but also applicable to plastics research. Another exhibit included a major innovation in the printing industry which was overwhelmingly received at its introduction in a plastics show held in Chicago last November. Still another featured a unique production combination, an injection blowmolder for small to medium size bottles used in the pharmaceutical, drug, and cosmetic industries.

It was the first participation in the Commerce trade fair program by 29 of the companies. However, 15 of the companies have participated successfully in Department exhibitions in U.S. Trade Centers abroad. The Commerce Department operates six Trade Centers as permanent showcases for U.S. products in major marketing areas abroad. They are located in Bangkok, Frankfurt, London, Milan, Stockholm, and Tokyo. A seventh U.S. Trade Center will open in Paris next November. Trade Center shows are not included in the Department's count of commercial exhibitions.

Of the 32 U.S. manufacturers taking part in the first Commerce-sponsored exhibition in 1963, 25 went on to exhibit their products in later U.S. exhibitions, or at one or more of the U.S. Trade Centers.

Westinghouse Electric International, New York, leads the field having shown its lines at 20 commercial exhibitions, and 30 Trade Center shows after the 1963 Utrecht trade fair.

FIRST EXHIBITION in the Commerce Department's 100-show series of commercial exhibition overseas was held at the Royal Netherlands Industries Fair in Utrecht almost exactly six years ago, in March, 1963.

AMF International has been represented in 28 exhibitions—9 fairs and 19 Trade Center shows. Hupp International, of Cleveland, has been in 20 shows, half fairs and half Trade Center exhibits.

The year 1967 produced a bumper crop of U.S. overseas commercial exhibitions—22 in all, in cities as widely separated as Wellington, New Zealand, and Moscow, or Tokyo and Santiago.

Major successes have been reported at many of the past 100 U.S. exhibitions.

The U.S. Pavilion at the 1967 Paris Air Show was acclaimed by exhibitors, visitors, local and international press, and foreign government representatives as the outstanding national showing at that biennial fair.

U.S. manufacturers at the 1967 Paris exhibition optimistically predicted first-year sales of $17 million would supplement the $1 million in orders taken at the show itself, but latest figures show that better than $25 million in business was attributed directly to the U.S. exhibition by the exhibitors themselves.

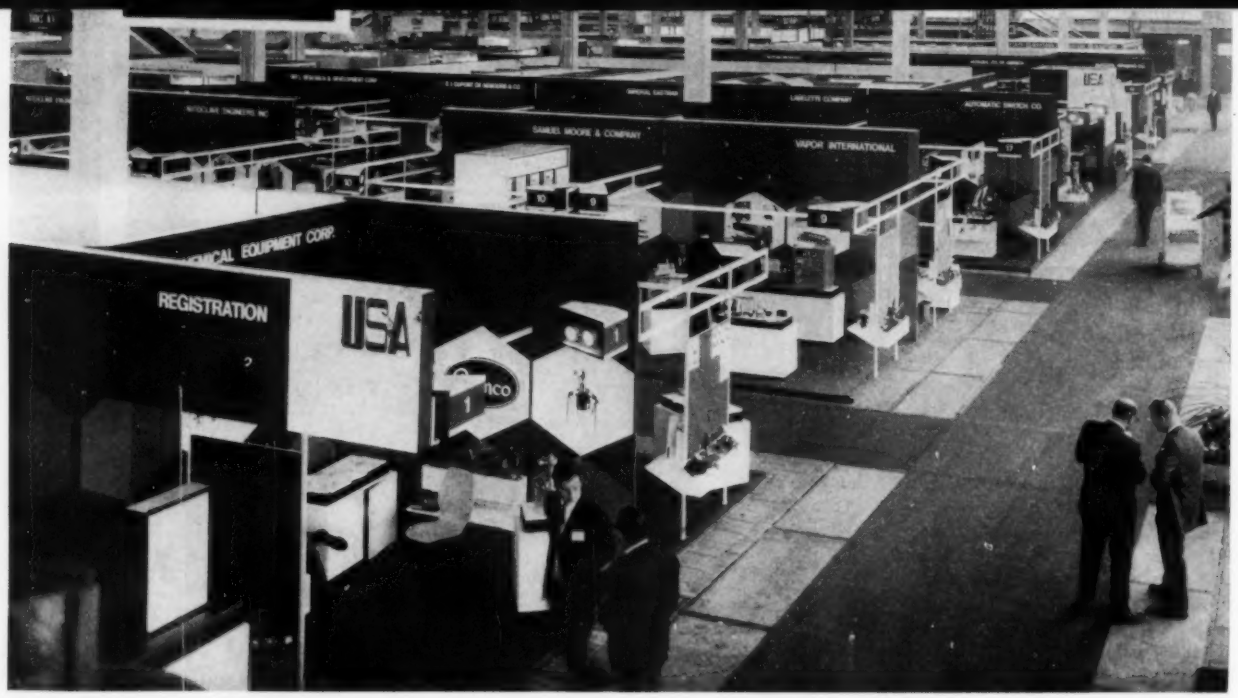
Many of the 40 U.S. manufacturers participating in this year's U.S. Pavilion at the Paris Air Show, set for May 29-June 8, are veterans of the 1967 U.S. success there.

An exhibition of U.S. metalworking machine tools, packaging equipment, and food processing equipment at the Tel Aviv International Trade Fair in 1968 brought the highest sales projection of any Commerce show up to that time: $25 million, in addition to $5 million in firm sales negotiated on the floor of the show.

This year shows early signs of breaking all records for the Commerce Department Commercial Exhibitions Program. In the two shows just prior to the Brussels Europlastica exhibition, U.S. firms forecast nearly $52 million in expected sales during 1969 as a result of the Commerce-planned exhibitions.

The 56 U.S. companies participating in the PURAQUA show of water purification and desalination equipment at Rome in February indicated that a record $33 million dollars in business would be realized during the twelve months following that exhibition, and said that their sales during the five years following the Rome show would be far higher when contracts for water desalination plants requiring long lead times are negotiated.

Another 35 U.S. exhibitors at Oceanology International '69, Europe's first major international show and symposium on marine research and engineering, held in Brighton, England, Feb. 17-21, made over $1.1 million in immediate sales, and predicted first-year results of $17.8 million, based on contacts with 5,000 international business visitors at that show.



COMPANY BOOTHS AT U.S. EXHIBITIONS are designed to tie each display into the overall U.S. display area. Floor plans for shows such as this one at Machevo '68 in Utrecht, the same city where the first U.S. commercial exhibition was held, are drawn up months in advance to assure optimum use of space.

Advance planning for Brussels show typical of preparations for such Commerce exhibitions

Four steps—planning, procurement, promotion, design—begin over a year before show to insure success for U.S. exhibitors

More than a year before the U.S. Exhibition at the Europlastica fair in Brussels opened, wheels were turning in Washington and at the American Embassy in Belgium to prepare for it.

The first step in planning any U.S. Government participation in any international trade fair overseas is a product theme recommendation sent home by U.S. Commercial Officers.

For Europlastica, the recommendation that the United States take part in this major quadrennial exhibition came to the Commerce Department early in 1968, to be evaluated by trade promotion specialists in the Department's Commercial Exhibitions Program.

Before Commerce decides definitely on U.S. participation in any overseas trade fair, research is conducted to determine that there is in fact sales opportunities in the host country for the products originally recommended by U.S. commercial officers.

In addition, the market research goes on to pinpoint exactly which products in any given field have top sales potential.

Locally-based market research firms are used to prepare these surveys. Thus on Mar. 15, 1968, a contract was awarded to a Dutch firm to study the plastics market in the Benelux area to determine if this country should enter Europlastica.

Three months later a 74-page report on the state of the plastics industry in Belgium, Netherlands, and Luxembourg, arrived in Washington.

In order to get the basic market information and the best sales bets before U.S. businessmen without requiring them to read the entire market survey, reports are usually condensed into a four- to eight-page summary called an Exhibitor's Export Market Guide.

Responsibility for contacting the U.S. plastics industry and recruiting American exhibitors for the Europlastica show now rested on a Commerce desk in Washington.

Based on the results of the market survey, planning officers at Commerce proposed that a quarter of the exhibits should feature production equipment for the plastics industry, another quarter should be devoted to plastics materials, and the remaining half instruments and controls and other related equipment for plastics use.

The first step in telling the U.S. plastics

ENTRIES TO U.S. EXHIBIT AREAS are clearly identified with eye-catching graphic designs. Graphic theme is repeated throughout company booths.

industry of the planned exhibition was a mass mailing of the Export Market Guide and a letter inviting participation. It went to 4,400 international marketing managers and other appropriate executives. This mailing included a reply card for more information.

U.S. trade associations are a prime source of information for Commerce procurement officers in making up lists of potential exhibitors in various fields. The Society of the Plastics Industry, Inc., an association of 14,000 members of the international plastics trade, gave full support to the Europlastica show.

Two Commerce procurement officers attended an SPI meeting late last fall in Chicago to contact personally as many industry leaders as possible.

Businessmen who mailed back the cards provided in the initial mailing were sent a complete exhibitor's kit including general information on the Commerce exhibitions program, and forms to fill out if they decided to participate.

The result: four months before the opening of the show, 35 exhibitors representing 36 U.S. manufacturers of plastics production equipment, instruments and controls for the plastics industry, and raw materials had signed up.

One of the major goals of the Commerce exhibitions program is to promote entry of new firms into exporting, and to help companies explore new areas where they have not sold before.

Europlastica was particularly successful on both counts, with 23 new-to-market firms joining the exhibition, including five that were exporting their products for the first time anywhere.

While exhibitors were being recruited for the U.S. Pavilion at Europlastica, the design division of the Commercial Exhibitions Program was proceeding with plans for the actual exhibit area.

As early as February of 1968, a Commerce official experienced in managing international exhibitions traveled to Brussels to reserve space at the fairgrounds for the U.S. Pavilion.

Meanwhile, in Washington, one of several different basic design concepts for exhibitions, each adaptable to the needs of different product lines and physical limitations, was chosen for the Europlastica show.

The design chosen for Brussels, like those for other U.S. Exhibitions abroad, was planned to tie each company's booth into the overall design of the section reserved for the official U.S. exhibit at the fair.

Plans for U.S. Exhibitions include space for administrative offices and an exhibitors' lounge area, available to all partici-

PRE-SHOW EXHIBITORS' BRIEFINGS, such as the one above at U.S. TOUREX show in Belgrade in 1967, feature talks by market development officers and exhibit managers describing their operations.

REGISTRATION AND INFORMATION BOOTHS, such as the one above at a 1968 exhibition in Tokyo, and lounges for use by exhibitors for commercial discussions, such as the one below at Machevo '68 in Utrecht, are a part of the overall design plan for all U.S. Exhibitions held at international trade fairs overseas.

MARKET DEVELOPMENT OFFICERS handle press conference held before the openings of U.S. commercial exhibitions. The one above was held prior to Plant Engineering and Maintenance Show last year in Tokyo.

pating firms, as well as a Business Information Office, located prominently in the display area, to provide needed information to foreign visitors.

A preliminary space plan was drawn up for Europlastica one year before the show. Slight revisions were made when the final number of definite exhibitors became known late last year.

Finally, in mid-November of 1968, the basic design for the U.S. Pavilion, and the final floor plan for booths was turned over to a New York-based design firm which handles preparation of many Commerce-sponsored shows overseas. The design contractor completed proposed plans for the show a month later. Early in January final designs were approved.

From January on, a representative of the design contractor supervised selection of a local construction firm in Brussels to perform the actual building of the booths and other structures.

About three months before the Brussels show, as is the case with all Commerce exhibitions, a Market Development Officer, along with an assistant, went to Europe to supervise promotion of attendance.

A "universe" mailing went out to 11,000 European buyers with an interest in the plastics field, inviting them to attend the show, and providing background information on the U.S. products.

A second mailing, to a "hard-core" list of some 2,000 prospects considered by U.S. commercial officers and the Market Development Officer to be in the best corporate positions to place orders or influence buying decisions for the products to be shown at Brussels, went out later. This was accompanied by personal letters of invitation from U.S. officials in European posts.

Finally, individual personal calls were made on the 250 most important officials in the European plastics field, the so-called "blue ribbon" list.

The Market Development Officer and his assistant also handled the printing, in Belgium, of the catalog of U.S. exhibitors, as well as coordinating local press releases on the show. In addition, they organized cooperation with European trade associations and worked closely with a local market promotion contractor charged with supervising public relations and promotion of attendance in Europe.

Problems crop up in planning any U.S. Exhibition, and Europlastica was no exception.

Special arrangements had to be made to take care of shipping for one 15,000 pound machine to be displayed at the show. Exhibit transportation delays because of the U.S. shipping strike were encountered.

The U.S. Air Force agreed to assist in transporting much of the equipment destined for display at the U.S. Pavilion by air, in order to insure that the goods would arrive in time for the opening.

The four major parts of Commerce preparation for any show—planning, procurement, promotion, and design—culminate with the formal opening.

On Mar. 22, with the Market Development Officer and the design contractor's representative on hand to supervise last minute details, the U.S. Exhibition at Europlastica opened with more than 1,500 visitors in attendance to see the displays of the latest U.S. plastics products.

Keeping posted

U.S. exporters can stay informed of upcoming U.S. exhibitions, as well as Trade Center shows and other export promotion plans, by consulting the special list published in the first INTERNATIONAL COMMERCE of each month. See next week's issue.

OVER A YEAR OF PREPARATION culminates in the opening of a U.S. Exhibition. Here President Kekkonen of Finland cuts the ceremonial ribbon at U.S. Pavilion at 1968 Helsinki International Trade Fair. At left is U.S. Exhibit Manager A. R. Pothuisje, and at right is U.S. Ambassador to Finland Tyler Thompson.

Seven-country European trade discussion trip set by Stans

Commerce Secretary will lead group from eight Federal units on mission to eight cities at request of President Nixon

Secretary of Commerce Maurice H. Stans has announced that he will visit eight cities in seven European nations between Apr. 11 and Apr. 26 on a special mission being undertaken at the request of President Nixon to discuss international trade problems.

Secretary Stans will meet with economic and trade ministers in the various countries, and with the heads and other officials of the Commission of the European Communities, the General Agreement on Tariffs and Trade (GATT), and the Organization for Economic Cooperation and Development (OECD).

He will be accompanied by officials from the Departments of Commerce, State, Treasury, Labor, and Agriculture, by Deputy Counsel to the President Harry Dent, by Dr. Hendrik S. Houthakker, member of the President's Council of Economic Advisers, and an official from the office of the Special Representative for Trade Negotiations.

Secretary Stans will travel to each of the countries recently visited by President Nixon, as well as the Netherlands.

In announcing his trip, Secretary Stans said: "The main purpose of this journey is to meet the leaders in Europe with whom we hope to have the finest possible trade relations in the years to come, and to do some groundwork now that will minimize or eliminate potential problems.

"We are interested in improving the climate for freer trade, as are they, and yet each of us faces protectionist trends and the possibility of various trade barriers. It is time to begin our pursuit of mutual interests.

While in Europe Secretary Stans will meet with European and American businessmen and will address the American Chambers of Commerce in Brussels, Milan, and Paris, and the German Industry and Commerce Association in Bonn.

The party includes, from Commerce: Stanley Nehmer, Deputy Assistant Secretary for Resources; Lawrence A. Fox, Director, Bureau of International Commerce; J. Robert Wilson, Chief, Regional Affairs Section, European Division, Office of International Regional Economics; Robert M. Smalley, Special Assistant to the Secretary for Public Affairs, and Arden Chambers, Secretary to Secretary Stans.

Also, from State: Joseph A. Greenwald, Acting Assistant Secretary for Economic Affairs; Treasury: John Petty, Assistant Secretary for International Monetary Affairs; Agriculture: Clarence Palmby, Assistant Secretary for International Affairs; Labor: Herbert N. Blackman, Administrator, Bureau of International Labor Affairs; White House: Harry Dent, Deputy Council to the President; Council of Economic Advisers: Dr. Hendrik S. Houthakker, Member.

The itinerary begins in Belgium, Apr. 12-14, with meetings in Brussels with Jean Rey, President, Commission of the European Communities; Jean-Francois Deniau, Commissioner, Commission of the European Communities; Hendrik Fayat, Belgian Minister of Foreign Trade; Apr. 15, in The Hague, with Leo De Block, Dutch Minister of Economics; Emile Van Lennep, Treasurer General, OECD Secretary General-designate; Apr. 16 in Bonn, with Kurt Georg Kiesinger, German Chancellor; Karl Schiller, Minister of Economics; Dr. Harkort, State Secretary of Foreign Office.

Then Apr. 17 in Geneva, with Olivier Long, Director General of the GATT; Albert Weitnauer, Swiss Ambassador, Delegate for Trade Agreements and for Special Missions; Paul Jolles, Minister, Delegate for Trade Negotiations; Klaus Jocobi, Ambassador, Director of Commerce of the Department of Public Economy of Switzerland. Then Apr. 18-20, in Milan and Rome, and talks with Mariano Rumor, Premier of Italy; Vittorino Colombo, Minister of Foreign Commerce, and Mario Tanassi, Minister of Industry and Commerce.

On Apr. 22-23, in Paris, talks with Francois Ortoli, French Minister of Economics and Finance; Andre Bettencourt, Minister of Industry; Jean de Lipkowski, Minister of State; Jean-Pierre Brunet, Director of Economic Affairs of the Ministry of Foreign Affairs, and Thorkil Kristensen, OECD Secretary General.

The visit ends in London, Apr. 24-25, with talks with Harold Wilson, British Prime Minister; Roy Jenkins, Chancellor of the Exchequer, and Anthony Crosland, President of the Board of Trade.

Seeks broadened textile agreement

The United States plans to urge General Agreement on Tariffs and Trade (GATT) negotiators to widen the base of the current 31-nation Long Term Arrangement on Cotton Textiles to include wool and man-made fibers.

SECRETARY STANS

So said Secretary of Commerce Maurice H. Stans to the American Textile Manufacturers Institute this month, as he told of his impending trip to Western Europe to discuss major trade issues—including textile problems—with governmental and business leaders there.

"I will be tackling the issues against the backdrop of President Nixon's conviction that an expansionary trade policy is good for the United States. But it must not be at the price of dismantling one of our major industries," the Secretary said. "We need to make every effort to assure that our agriculture and industry will have, in the future, what has been often denied them in the past—full and growing access to the world's markets."

Technological advances have brought a situation where the current pact now covers less than half of U.S. total output of textiles, and that of major U.S. trading partners, the Secretary asserted. He then said that new measures are required to deal with disruption from low-cost imports of wool and man-made fiber textiles and apparel.

"I feel strongly that the interests of the textile trading countries will be best served by providing an openly negotiated solution to problems in wool and man-made fiber textile trade. This solution worked for cotton textiles and is preferable to mounting pressures on various countries to resort to unilateral restraints," he commented.

'69 MEETING REPORT

Trade scene shifts for IEA

Still export-oriented, group put international operations in forefront of this year's discussion

By CLARENCE M. ZENS
Managing Editor

How fast is the world trade scene shifting—and its people with it?

The International Executives Association, meeting in New York this month, paused to consider the makeup of its membership. Once a group 90%-plus in exporting—the name, not too long ago, was Export Managers Club—it now found a full third of its people engaged in international operations rather than in export sales activity. While the IEA is still export-oriented, its overseas producers or licensors are pressing for more attention. They got it at the '69 conference.

One major convention speaker discussed the place of computer-fed, intermodal, containerized transport in boosting tomorrow's exports from the U.S. But another speaker took the spotlight to illumine what he called the oncoming era of internationalization of world production and a kind of trading that will dwarf today's conventional export-import traffic.

With both groups, a New York banker rallied support for a fight on inflation that is willing to risk unpopularity and that will make it plain that there are no magic solutions to international trade difficulties, that living beyond one's means is just as ruinous to nations as it is to families.

So William F. Ray of Brown Brothers Harriman & Co. wound up the conference with a Dutch uncle admonishment to control public spending and take action to cool off the overheated economy that he sees attracting a topheavy total of imports and pricing U.S. products out of world markets.

Christopher H. Phillips, President of the U.S. Council of the International Chamber of Commerce, declared that "despite the political nationalism which continues to underlie the po'icies of most nations today, there is slowly but irresistibly developing a kind of economic interdependence which is bound to have a profound influence on the world of tomorrow."

Phillips said it has already changed the traditional patterns of world trade. He cited as reasons for this change "the inexorable growth of larger and larger trading groups within which trade is becoming freer and freer" on a regional and on an even broader-than-regional basis and the basic change taking place in the structure of world production "which is beginning to have a profound effect on our international trade and which within a few years may revolutionize the pattern of world trade."

Phillips pointed to the Common Market, the Latin American groupings, and the new regional institutions in Africa and Asia as signs that entire geographic areas rather than nation states are becoming major importers and exporters.

He also called attention to "what has come to be called internationalization of world production." This, he said, "is just another way of describing production associated with investment activities of one country in another. The ultimate consequences of this are hard to foresee, but there is no doubt that it will bring about a form of trade which dwarfs the trade we conventionally associate with exports and imports."

Phillips submitted that from 1950 to 1968, United States total investment abroad grew at the rate of about 10% a year, quadrupling in size from $31 billion to today's roughly $133 billion. Of this, he said, about one-half is private direct investment. But he also pointed out: "The actual output in foreign markets associated with this U.S. production base abroad is estimated as in the neighborhood of $200 billion. This represents a volume of production larger than the national product of any country in the world other than the United States and the USSR."

Cautioning U.S. multinational companies to be alert and sensitive to the fears and suspicions which can be aroused in other countries by their presence, Phillips added: "Although today's muted conflict between the multi-national corporation and the nation state may become more audible in the years immediately ahead, there seems to me little doubt that the powers of the nation state will have to be adapted to the supra-national requirements of an increasingly interdependent world."

The International Chamber of Commerce, Phillips disclosed, is now concluding a two-year study of all the implications of the internationalization of production, in the hope that each country will take a more careful look at its own foreign investments, as well as the investments of other countries within its borders. In this way the advantages of foreign business operations may become more evident. and as a result, conflicts between business and government hopefully less pronounced.

The results of this study, he said, will be thrashed out by business leaders from all parts of the world at his organization's congress to be held in Istanbul in June.

Container performance

The New York Port Authority's Clifford B. O'Hara told the IEA meeting of recent performances in cargo handling by containerships. He said:

"One of the the first cargo vessels to clear New York Harbor after the strike was a 14,000-ton containership with roll-on, roll-off capability. In two days this ship discharged a full cargo and took on another. The equivalent job with a break-bulk ship, if any could carry the diverse cargo of the roll-on, roll-off containership, would require a week to 10 days.

"In another containership operation at the Elizabeth-Port Authority Marine Terminal, 609 large containers were off loaded and another 609 stowed aboard ship within an elapsed time of 20 hours. The total capacity of the 1,218 containers was about 24,000 tons, which meant the average tonnage handled could have reached 1,200 tons an hour. This was an unrehearsed, everyday performance.

"With special arrangements, such as the placement of more than the usual number of giant shoreside cranes bes'de a ship, rates of over 3,000 tons per hour have been attained. In comparison, it was not too many years ago that 15 tons per hour per hatch was a goal."

CONSULTATIONS WITH U.S. COMMERCIAL OFFICERS were a feature of the IEA Conference. George Falk, who has been Commercial Attache in Madrid, discusses Spanish business conditions with Tony Rodriguez of Alltax Export Corp. At left, seated, is Ray Crane, who has been a Commercial Officer in Mexico City. Standing, from left, are William Krason, who has been Commercial Attache in Karachi; Gustave Larson, Commercial Attache, Ottawa, Franklin C. Shoemaker, Commerce New York Field Office.

E. E. Schnellbacher, Assistant Director of the Commerce Department's Bureau of International Commerce, gave the IEA members a '69 world trade forecast containing "considerably more sunshine than rain."

He said: "Somebody, somewhere, may get caught in a shower, but the businessmen who go out and ring doorbells are going to make sales in 1969—and beyond."

U.S. sales abroad rose by approximately 10% last year, he said. Further economic advances in many areas abroad are expected to increase foreign demand for U.S. goods in 1969. "I believe that most American businessmen will want to take advantage of that increased demand and sell more goods in the export markets," he commented.

He saw good prospects for a continued expansion of sales in the developed nations, which account for about two-thirds of U.S. exports. Strong gains in business investment in most of the European Economic Union and in Canada make prospects good for increased U.S. business.

Improvement in the Japanese balance-of-payments situation, plus plans for considerable plant improvement, make that market look better for U.S. equipment, he said. He added that restrictive measures taken by two good customers, the United Kingdom and France, are not expected to have a strong negative affect on total sales, because U.S. exports to both are largely in badly needed capital equipment and industrial raw materials.

Clifford B. O'Hara, Director of Port Commerce of the Port of New York Authority, took the IEA convention banquet audience on a tour of the challenges of the 70's, emphasizing the probable growth of demands for sheltered home markets, and the need to counteract such demands.

Another challenge, O'Hara declared, will come through the tests posed by a new discipline of international management "called business logistics by some and physical distribution by others."

He explained: "Computers and intermodal containers for cargo are at the heart of this tool for international executives of the 70's. Put simply, business logistics is programming by automatic data processing machines and other systematic means the procurement of raw materials, production scheduling and methods of distribution. In other words, manufacturers can be advised by computers of how much to produce, how to manufacture, when and where a product should be made, where it should be sold and how much to charge."

O'Hara said: "Wise utilization of the tools of business logistics will be a must in the 70's for Americans competing in the world's market places. Your counterparts overseas are either using or planning to use them. The key to profits and customer satisfaction in the next decade, for example, might well rest in balancing such logistical elements as replenishment lead time and predicted demand with the availability of containerized transport that would in effect serve as a warehouse in transit."

Such a transport pipeline is not new for bulk cargoes, he said, but is an innovation for "time-sensitive products ranging from industrial machinery to retail merchandise. By astute use of common carrier intermodal transport, your products would be protected and untouched in a container from the time they left your factory or consolidation station until they reached your customers or their nearby devanning depot. Door-to-door shipping or modifications thereof holds great promise."

Florida world trade conference opens Apr. 9 in Palm Beach

OAS leader Galo Plaza heads list of meeting speakers

Secretary General of the Organization of American States Galo Plaza will be featured speaker at the Eighth Florida World Trade Conference, scheduled for Apr. 9-11 at Palm Beach. Sponsors are the Florida State Chamber of Commerce and the Florida Ports and Foreign Trade Council, with the cooperation of the Upper and Lower Florida Regional Export Expansion Councils, the U.S. Department of Commerce, and other organizations. Honorary chairman is Governor Claude R. Kirk, Jr. of Florida. General chairman is Billy B. Burns of the Board of Commissioners, Port of Palm Beach.

Among the guest speakers will be Representative Paul G. Rogers of Florida.

A panel on "Why Export and How" will be moderated by E. E. Schnellbacher, Assistant Director of the Commerce Department's Bureau of International Commerce. Roger J. LaRoche and W. Bruce Curry, directors of the Commerce Department Miami and Jacksonville Field Offices, respectively, will discuss how the Department of Commerce can facilitate exporting.

Additional programs will deal with export financing, export credit guarantees, using U.S. Trade Centers and International Trade Fairs to develop export markets, the outlook for trade between Japan and Florida, and how airlines can help exporters market products overseas.

Panel participants include: R. Leslie Cizek, Jr., chairman of the South Florida REEC and vice president of Parker & Co. of Florida, Inc.; John V. Lombardi, manager of worldwide marketing services for Pan American World Airways; and Nelson A. Stitt, director of the U.S.-Japan Trade Council.

Outlays by foreign affiliates of U.S. firms may rise 7% in '69; '64-66 rate of growth was 20%

Non-manufacturing operations abroad gain at fastest pace; shift toward developing nations picks up steam

Plant and equipment outlays by foreign affiliates of U.S. corporations are expected to rise 7% this year after a 1968 increase now estimated at 3%. The Commerce Department's Office of Business Economics says the anticipated 1969 advance will be approximately the same as in 1967 but well below the average annual increase of 20% in the years 1964-66.

Lagging investment by manufacturers continues to be the most important influence in holding down the overall expansion in expenditures by foreign affiliates.

If the percentage rise for 1968 is confirmed by final figures later this year, it will be the smallest increase in such expenditures since 1960 and will be lower than the anticipations reported last September. The most recent semiannual survey, which was taken in December, suggests that some investments initially scheduled for last year were postponed to 1969.

The estimates are based on reports received by OBE from about 400 major U.S. firms with foreign affiliates. The sample has been adjusted to reflect foreign capital expenditures by all U.S. companies.

Industry patterns

According to the latest survey, expenditures by foreign manufacturing affiliates dropped almost 6% from 1967 to 1968. Concentrated entirely in Canada and Western Europe, the decline is a substantial revision of projections made last summer, when little change in total manufacturing outlays was anticipated. Only a small increase is now planned for 1969.

The survey confirms major trend reversals this year for the chemical and transportation equipment industries. After steady growth through 1967 and a small increase last year, the chemical industry is alone among the major manufacturing industries (and nonmanufacturing industries as well) in anticipating a decline in spending for 1969. In fact, all other manufacturing industries combined are planning a 9% rise, compared with the 19% reduction scheduled by the chemical industry.

On the other hand, the transportation equipment industry, which is now estimated to have reduced its outlays 20% last year following a drop of similar magnitude in 1967, is still forecasting a substantial increase for 1969. Similarly, but on a smaller scale, the machinery and all other manufacturing industries reported reduced outlays in 1968, to be followed by increases this year.

Among non-manufacturers, petroleum companies now anticipate a sizable increase in expenditures for 1969. The projected rise of 11%—about the same as in 1968—is well above the estimate for 1969 made six months earlier. Much of the revision is due to recent plans for extensive tanker purchases this year. In addition, petroleum affiliates in Latin America and the Common Market countries have significantly raised their spending estimates for 1969.

The mining and smelting industry continues to demonstrate steady growth, especially in Latin America, and now expects to approximate in 1969 the 14% spending increase recorded in 1967 and currently estimated for 1968.

Affiliates in the "other industries" category, which includes public utilities and trade, confirmed their earlier estimates of significantly higher outlays for both 1968 and 1969.

Geographic patterns

Led by steady growth of expenditures in the extractive industries, a gradual shift in investment emphasis from Canada and Western Europe to Latin America and other countries continues to be reflected in the current survey. In 1968, Western Europe accounted for about 35% of total outlays; Canada, 22%; Latin America, 17%; and all other countries combined, 26%.

In Canada, provisional data for 1968 continue to indicate a 4% reduction in expenditures. A small increase is now planned for 1969. On this basis, Canada's share of total outlays would decline further to a new low of 20%.

Reflecting significant reductions in plant and equipment expenditures by both petroleum and manufacturing affiliates, total capital investment in Western Europe in 1968 decreased 10% from

How survey is made

Reports on plant and equipment expenditures for a given year are filed on five different occasions at six-month intervals. Although the final report is filed six months after the close of the year and is based entirely on expenditures actually made, each of the first four estimates is based on mixtures of various types of basic information available to corporate officials, such as appropriations, contracts placed, and actual payments.

These mixtures are likely to change as the time at which the report is prepared progresses from about six to seven months before the start of the year (estimate A) to the closing month of the year (estimate D).

Accordingly, better forecasts of year-to-year changes in expenditures are likely to be obtained by comparing an estimate for a given year with that made in the corresponding period of the previous year. To determine the anticipated percentage change in expenditures for 1968, for example, the latest estimate, 1968-D, is compared to the corresponding estimate in the preceding year, 1967-D.

The most recent dollar figures for 1968 and 1969 are not necessarily the best estimates of the actual amounts of expenditures likely to be made in these years. Applying the percentage change from 1967 to 1968, as described in the previous paragraph, to the final figure (E) for 1967—which is based entirely on actual expenditures for that year and is therefore generally free of reporting biases—would yield the best current estimate of the actual dollar amount of expenditures for 1968.

Percent change in expenditures of U.S. foreign affiliates, 1965-69

	Actual 65-66	66-67	Projected 67-68	68-69
By industry				
Mining and smelting	25	14	14	13
Petroleum	11	19	11	11
Manufacturing	18	—2	—6	1
Others	14	9	9	22
By area				
Canada	28	—6	—4	3
Latin America	2	16	26	12
Europe	23	11	—10	2
Other areas	3	9	18	14
Total	**16**	**7**	**3**	**7**

1967, more than double the decline anticipated six months earlier. Outlays in 1969 are expected to rise about 2% over 1968, with small increases in both petroleum and manufacturing.

With substantial gains in all industries, capital investment in Latin America showed the largest percentage increase of all major areas for 1968, easily surpassing the 16% gain of 1967. A considerable, but much slower, rate of growth is projected for 1969.

In the remaining areas—Africa, Asia and Oceania—substantially higher investment in the petroleum industry was mainly responsible for the 18% rise in outlays in 1968. A further expansion of 14% anticipated for 1969 exceeds the projected rise in any of the other major areas.

Korean fisheries get $7 million ADB loan

The Asian Development Bank has loaned Korea $7 million to develop its fisheries.

The Korea Cold Storage Co., a Government subsidiary, will use the loan to finance the foreign exchange cost of freezing, cold storage, ice-making and ice storage and supplementary processing facilities in Seoul, Pusan, Mokpo and Mukho, and marketing facilities in Seoul, together with appropriate transportation equipment. The total cost of the project is estimated at $15.3 million.

Imported items needed for the project will be procured through international competitive bidding by suppliers from the ADB member nations, which include the United States.

World Bank lends $92 million for projects in four nations

Electric power loan is first to Ireland; Iran irrigation scheme, Pakistan industrial loan agency, Cameroon palm oil also aided

The World Bank has announced approval of loans totaling $92.4 million for development projects in four countries.

A loan of $14.5 million for the expansion of electric power in Ireland will be the first Bank operation in Ireland; Iran will receive a loan of $30 million for additional irrigation works, on-farm development and the adoption of modern agricultural techniques in the Dez area of Khuzestan Province; a loan of $40 million to The Pakistan Industrial Credit and Investment Corp. (PICIC), will provide about half the foreign exchange the corporation will need for its loans to private Pakistani industrial enterprises until mid 1970; the fourth loan of $7.9 million, will be for the commercial development of palm oil in Cameroon, mainly to meet the expanding domestic demand for edible fats.

Ireland's Electricity Supply Board, recipient of the $14.5 million loan, supplies all of that nation's public power. New development policies designed to spur economic growth will require larger expenditures on basic economic facilities, and by borrowing from the Bank at this time ESB will be able to reduce the demand for resources needed for other developmental investments by public and private enterprises. The loan will help finance the $31.5 million Turlough Hill 280-megawatt pumped storage electric power plant, an installation especially designed to meet the demands of Ireland's power market which is subject to large daily and seasonal fluctuations. Ten European financial institutions are participating in the loan for a total amount equivalent to $910,000.

Dam led to project

The development of Iran's irrigation agriculture in the Dez area of Khuzestan was initiated following the construction of the multipurpose Mohammad Reza Shah Pahlavi Dam on the Dez River, for which the Bank made a loan of $42 million in 1960. The project now being financed will provide for the irrigation of 90,000 acres and on-farm development of the entire 140,000 acre area.

In ten years of operation, PICIC has made a significant contribution to the development of private industry in Pakistan. It has made 630 loans totaling the equivalent of $325 million. Its chief role has been the channeling of foreign exchange into sound industrial projects —about 95% of its loans have been in foreign exchange, which has come from seven earlier World Bank loans totaling $144.2 million, and $132 million from other external sources. The new Bank loan will provide half the $80 million of additional foreign exchange PICIC expects to need over the next year and a half.

In addition to the Bank loan to Cameroon, two French agencies are providing $3.6 million for a project which consists of an eight-year planting program of oil palms on two estates totaling 22,400 acres, the construction of a palm oil mill on each estate, and the provision of roads, buildings and other infrastructure.

U.S. to lend Pakistan $70 million for imports

The United States and Pakistan recently signed an agreement for an AID loan of $70 million to finance the import of general commodities from the United States for Pakistan's economic development.

The United States is a member of the Aid-to-Pakistan Consortium and the loan is part of the foreign exchange financing provided as the U.S. share of Consortium assistance for the fiscal year 1969 ending June 30.

Other U.S. financing is provided through PL 480 and Export-Import Bank programs and donations to international agencies. AID commodity loans extended to Pakistan for fiscal 1968 totaled $140 million, including a general commodity loan of $115 million and a fertilizer loan of $25 million.

Principal commodities to be procured under the new loan are expected to be fertilizers, iron and steel items, and chemicals. In addition, Pakistan will use the loan for purchase of other products similar to those imported under past commodity agreements.

Argentina in comeback

Stabilization program begins to show results, creating openings for U.S. business

By W. R. WARNE
Commercial Attache,
U.S. Embassy, Buenos Aires

Since the launching of Argentina's economic stabilization program in March 1967, opportunities for U.S. exporters and investors in that country have significantly improved.

For the past twenty years Argentina has been plagued with rampant price increases averaging 25% a year, erratic economic growth and the disruptive effects of frequent currency devaluations. The Government's economic program in the past two years has brought a trend toward price stability without causing an economic recession, thus offering the prospect of achieving sustained economic growth and stable prices.

After a sluggish performance in the first half of 1968, the economy picked-up rapidly to reach a growth rate of 4.8% for the full year, compared to 1.8% in 1967. Spurred by rising demand and investment, the overall economy grew 11% in the fourth quarter compared to the same quarter in 1967; manufacturing output increased 16%. The highest annual growth rates were in public investment, up 17%; private construction, up 15%; manufacturing, up 8%; mining, up 10%; and gross domestic investment, up 10%. Unfavorable weather conditions cut into agricultural production, causing it to fall 5%.

Unemployment in the major urban areas fell from 6.2% in October 1967 to 5% in October 1968. The Government's wage freeze combined with price increases, however, caused real wages for unskilled workers to fall. Including social security benefits granted in 1968, a married worker's take-home pay declined about 5%.

After twenty years of price increases ranging from 20 to 30% per year, governmental efforts to stabilize the peso are beginning to show results. The cost of living rose 10% in 1968 compared to 27% in 1967; prices are forecast to rise only 5% this year. Wholesale prices increased 4% in 1968 compared to 20% in 1967 and governmental forecasts foresee a 3% increase this year.

Gross foreign exchange reserves exceeded $830 million at the end of January; the highest reserve level since 1946. Since the 40% devaluation of the peso on Mar. 13, 1967, the peso exchange rate has not been changed. Pointing toward continued stability of the peso in 1969 are: an estimated $250 million trade surplus this year; Argentina's recently acquired status as a hard currency nation with the International Monetary Fund, and the Government's ability to borrow from international money markets.

U.S. EXPORTS TO ARGENTINA jumped 22% in 1968, reflecting the improved climate created by that country's stabilization drive. These Allis-Chalmers bulldozers went to the national highway department.

Future exchange and dollar bill rates have been relatively stable for more than a year, and there are no pressures at present against the peso. Foreign exchange reserves are high and should remain so.

The economic upsurge of the second half of 1968 is expected to carry through 1969. Consequently, forecasts foresee a 6-7% growth in the GDP this year, led by expansion in construction, manufacturing and investment. After last year's downturn in agricultural production, a 4% increase is expected in 1969. This should enable Argentina to enjoy one of its best economic years since World War II.

Upon granting an 8% wage increase at the beginning of the year to employees of private and state-owned enterprises, the Government stabilized the resulting wage levels through 1969. Voluntary price controls have also been continued, but the Government plans to expand these to include wholesalers and some retailers this year as well as manufacturers.

Since December 1967, Argentina has floated $100 million of bonds overseas, including $25 million in the United States. This year it intends to borrow another $150 million in international money markets. In addition, last year the Government floated about 30 billion pesos of domestic bonds, the first such flotation in a number of years. Another issue of 40 billion pesos is planned this year.

By tapping domestic and international capital markets for its investment program, the Government has drastically cut the amount of financing it needs from the Central Bank, thereby reducing the inflationary impact of the budget deficit. Moreover, the Government plans to reduce the budget deficit to 43 billion pesos in 1969, 11% below 1968.

The National Treasury plans to spend 1,040 billion pesos (equivalent to about $3 billion), which is about a 6% increase over 1968. Current expenditures will be held at nearly 1968 levels while investment expenditures will be up 15%.

Emphasis is being given to improving the economic infrastructure by expending some 433 billion pesos (equivalent to $1.2 billion) on 1969's public works pro-

gram. These funds will be spent on road and bridge construction and improvements, electrical generation, communications, railroads, ports and housing.

In addition, Argentina is now receiving more loans from international organizations such as the International Bank for Reconstruction and Development (World Bank) and the Inter-American Development Bank than in past years. The World Bank recently agreed to provide $82 million toward construction of the large Chocon-Cerros Colorados hydroelectric project in Neuquén Province, an overall $525 million project.

Since March 1967 the Government has removed all restrictions on foreign capital movements. To encourage rapid industrialization and technological development, the Government is promoting foreign capital investments by offering special incentives such as waivers of or reductions in import duties on capital goods and tax write-offs for authorized investment projects.

Government authorizations for foreign private investment projects doubled in 1968, reaching a total of $153 million compared to $90 million in 1967, $39 million in 1966 and $24 million in 1965. Of the authorizations for the establishment of new businesses, about two-thirds went to U.S. firms.

Foreign investments have been especially large in chemicals and petrochemicals, petroleum, metals and non-metals, textiles, and other manufactures. According to preliminary estimates, 1969's foreign investments should double 1968's level.

U.S. export opportunities

Argentine imports overall reached $1,169 million in 1968, a 6.7% increase over 1967. 1969's imports are estimated at $1.2 billion or better, of which capital goods should amount to $300 million compared to $250 million in 1968. U.S. exports to Argentina in 1968 were valued at over 22% more than those for 1967. Increased purchases of capital goods and expanded investments by U.S. firms should cause U.S. exports to Argentina to rise further in 1969. Argentina offers particularly attractive export openings for bridge-and-road building machinery and vehicles; other heavy construction equipment; communications equipment; electronic instruments; aircraft; metal working machinery; oil-field and mining machinery; packaging machinery; chemical industry and power industry equipment and industrial raw materials.

Rising Belgian trade levels mirror strong economic upswing; U.S. market share holds constant

All parts of economy, except construction and mining industries, shared in general expansion; U.S. coal sales expected to drop

By J. R. LAVALLEE
Commercial Attache, U.S. Embassy, Brussels

The downward trend of the Belgian economy was reversed during 1968 as the country's industrial production increased by 3.1% over 1967. This was accompanied by an increase in both imports and exports.

All parts of the economy showed greater activity except the construction and coal mining industries. However, inflationary pressures were contained since consumer prices and wages showed only a moderate increase during this period.

Belgium's 1968 Gross National Product in real prices is thought to have increased between 4.0% and 4.5%, whereas GNP rose by only some 2% in 1967. During the past three years, private consumption has been rising constantly and by 1967 represented 13.6% of GNP. Retail sales reflected a 5% upsurge in private consumption during 1968, which is 1.5% higher than the average growth during 1964-67. The 1968 increase was most noticeable in sales of durable consumer goods, particularly automobiles.

The Customs Convention on industrial products among the six Common Market countries went into effect on July 1. Consequently, such goods may now move duty-free from one Common Market country to another, while imports into EEC countries from third countries are subject to the EEC Common External Tariff.

During 1968, the Belgium-Luxembourg Economic Union's (BLEU) exports showed a remarkable increase of 16%, compared to 3% during 1967. The value of the goods exported rose from $7.02 billion in 1967 to $8.16 billion in 1968. In fact, Belgium's exports in 1968 represented 39% of the value of the country's GNP.

Common Market countries took 63% of BLEU's exports, with the lion's share going to the Netherlands ($1.72 billion) and West Germany ($1.7 billion). In fact, Belgium's basic economic situation is linked directly to the value of its exports to these two neighbors, its best customers.

For the first 10 months of 1968, exports to the United States totaled $646 million. Nearly all sectors of BLEU's economy made increased exports during 1968. This was particularly true of chemical products (+28%); mineral products (+25%); transportation equipment (+18%); and base metals (+14%).

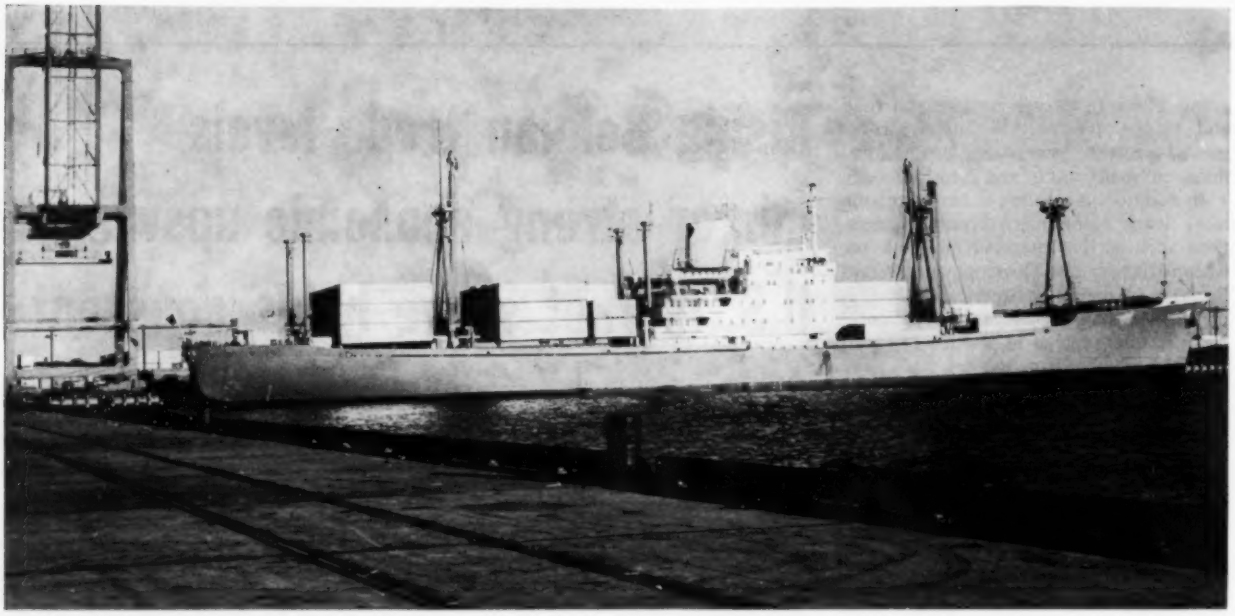
Principal BLEU exports were iron and steel products, diamonds, raw copper, textiles, automotive vehicles, non-electrical machinery, glass and glass products. Although it does not seem likely that BLEU exports will show the same extraordinary rise in 1969, the positive trend should continue through the year.

BLEU imports were also on the increase during the past year. After showing no noticeable change in 1966 and 1967, imports registered a 15.7% increase in 1968 and totaled $8.3 billion.

Imports from the United States during the first ten months of 1968 were higher than those for the comparable period of 1967, as they totaled $575.7 million.

Despite its small size, BLEU is a very important export market for U.S. agricultural products. Grains, especially feed grains, account for more than half of total BLEU imports of U.S. agricultural products, which were estimated at about $136 million for 1968, a decrease of $20 million from the previous year.

Inasmuch as Belgium, like the other countries of Western Europe, enjoyed excellent crops in 1967 and 1968, grain imports from third countries were sharply reduced. This reduction had a considerable



BELGIAN IMPORTS ROSE OVER 15% in 1968, and U.S. exporters are holding their market share despite the Customs Convention which eased trade in industrial items among the six EEC members. Above, one of four Belgian vessels recently converted into full container ships unloads at Norfolk, Va.

effect on total U.S. agricultural exports to BLEU, and probably will continue throughout 1969.

As a result, total U.S. agricultural exports to BLEU are expected to continue to decline in 1969, but at a more modest rate inasmuch as BLEU imports of oil seeds, tobacco and cotton from the United States are expected to continue to increase.

U.S. agricultural exports of other commodities of lesser importance are expected to remain roughly at 1968 levels.

In 1967, Belgium imported 726,252 metric tons of American coal. This figure applies to actual imports and do not include processing coal which is temporarily imported for producing coke and re-exported. Estimated imports in 1968 are 703,149. The continued decline is the result not so much of the Belgian import quota (the quotas for 1967 and 1968, 788,000 metric tons and 748,000 metric tons respectively, were not filled), as of the loss of the price advantage of U.S. coal owing to the Belgian Government's policy of aligning domestic prices with the c.i.f. landed price of U.S. coal in Antwerp. Sales have also been affected by 1968 price increases by U.S. exporters under existing contracts. Several orders were voluntarily canceled by U.S. exporters during the year and Belgian importers substituted German and Polish coal.

The 1969 quota has been established at 643,000 metric tons (including a 31,000 ton carry-over from 1968) but could be raised if demand exceeded the supply of Belgian domestic coking coal. In light of competition from subsidized domestic, German and Polish coal, U.S. coal imports are expected to decline further in 1969.

Best sales potential

In addition to the usual U.S. major exports to Belgium such as chemical products, machinery, precious stones, and copper, the following categories of goods appear certain to continue to have excellent sales potential: medical and surgical instruments, photographic, motion picture equipment and supplies, paper and cardboard products, synthetic textile fibers, toys and sporting articles, and high fidelity equipment—sound recording and sound reproduction.

In absolute terms American exports to Belgium have been increasing annually. However, the U.S. share of this market has remained fairly constant. This can be attributed mainly to increased exports from Belgium's Common Market partners. It is therefore incumbent upon the U.S. exporter to make a greater effort if he wishes to maintain or improve his position in this highly competitive market.

In conclusion, mention must be made of the U.S. participation in EUROPLASTICA '69 Exhibition which took place Mar. 22-30 at the Palais du Centenaire in Brussels. It is interesting to note that this is the first time since April 1955 that the United States Government has participated fully in a commercial trade fair in Belgium and it also represents the 100th Department of Commerce participation in a trade fair since the inception of the current program in 1963. The American Pavilion occupied an area of 2,350 square meters.

Thirty-five American firms participated, 26 of them exhibiting for the first time in Europe. The items exhibited included machinery, plus related equipment, and supplies used in the fabrication of plastic products.

Plastics production has been rising at an increasing rate during recent years. In 1967 the six Common Market countries of Europe produced some 5.1 million tons of plastics valued at approximately $2 billion. For the same period U.S. production alone totaled six million tons.

The Benelux countries turn out about 10% of the EEC production. In 1967, BLEU imports of machinery to fabricate plastics and raw materials were valued at approximately $100 million, $15 million of which came from the United States. Given the fact that American basic and related equipment as well as raw materials are recognized as being among the most advanced in the world, U.S. suppliers should be able to increase their exports considerably in this field to the Benelux as well as the other Common Market countries.

Iran seen as prime market

Growing oil revenues, far-reaching development plan point to further gains

By DAVID POST
Commercial Attache, U.S. Embassy, Tehran

In recent years Iran has shown itself to be an increasingly good customer of the United States and in 1969 this trend is expected to continue. With regular annual oil revenues growing to over $800 million in 1968, a recent history of political and economic stability, and a far-reaching new five-year development program under way, Iran offers an increasingly attractive and remunerative market to U.S. exporters.

GNP growth in the Iranian year which just ended (Mar. 21, 1968-Mar. 20, 1969) is estimated by the Prime Minister at 12%.

During 1968 total U.S. exports to Iran were valued at $279.1 million, a 13.4% jump over 1967.

In late 1968 the fast pace of Iran's economic growth resulted in a rapid expansion of domestic credit and purchasing power and a concurrent depletion of foreign exchange reserves. Certain monetary measures were announced by the Central Bank designed to reduce credit to the private sector, encourage savings, and restrict the expansion of the money supply.

These measures (an increase in the rediscount rate to 7%, an increase in statutory reserve requirements and an increase in interest rates on savings and time deposits) and others which may follow this year are designed to correct the foreign exchange reserve problem without deflating the boom or damaging the business community's confidence.

It is generally believed that Iran's economic planners will be able to accomplish this admittedly delicate task successfully and that Iran's economic expansion will continue, although perhaps at a somewhat more subdued pace.

U.S. export opportunities

The United States has long played a leading role as a supplier to Iran's petroleum industry. Of $215 million Iranian imports from the United States in 1967-68, over $11 million were in either well-drilling equipment or parts. The United States also has a strong position in the automotive field, supplying Iran during the same period with $9.7 million of passenger cars plus $11 million in automotive and truck parts. Our third strongest sales area is that of heavy duty construction machinery, which accounted for nearly $8 million of U.S. sales to Iran in the period.

The U.S. sells more than $1 million per year in 53 commodity categories, including parts and components of machines; iron and steel, copper and aluminum plants; aircraft; pumps; electrical apparatus; medicines and pharmaceuticals; loading/unloading machinery and parts; copper ingots and blocks; iron and steel piping; chemical compounds and products; parts for boilers, economizers, superheaters, steam accumulators; air pump, compressor, ventilator and blower parts; structural iron and steel, girders and piles; and wrapping paper.

U.S. firms having similar lines but not yet exporting to Iran can be assured that such products are competitive and can be sold.

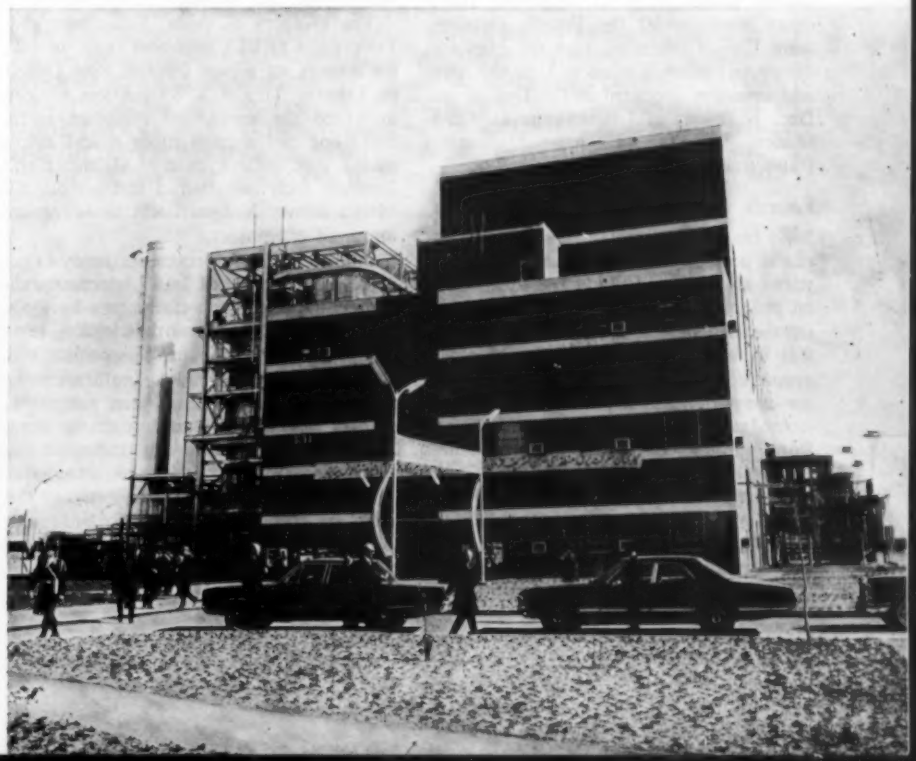
In spite of a good overall export performance in Iran (the United States is Iran's largest supplier after West Germany), American firms could do much better, especially in the area of machinery and semi-manufactured supplies for private industry. Only small amounts of U.S. equipment have been or are being sold to Iran's textile, clothing, vegetable oil, cement, sugar beet, shoemaking, rubber tire, and plastics industries and yet these are all well established in Iran and are either expanding or modernizing. Even Iran's pharmaceutical industry, in which U.S. firms have heavy investments, is largely equipped by European suppliers.

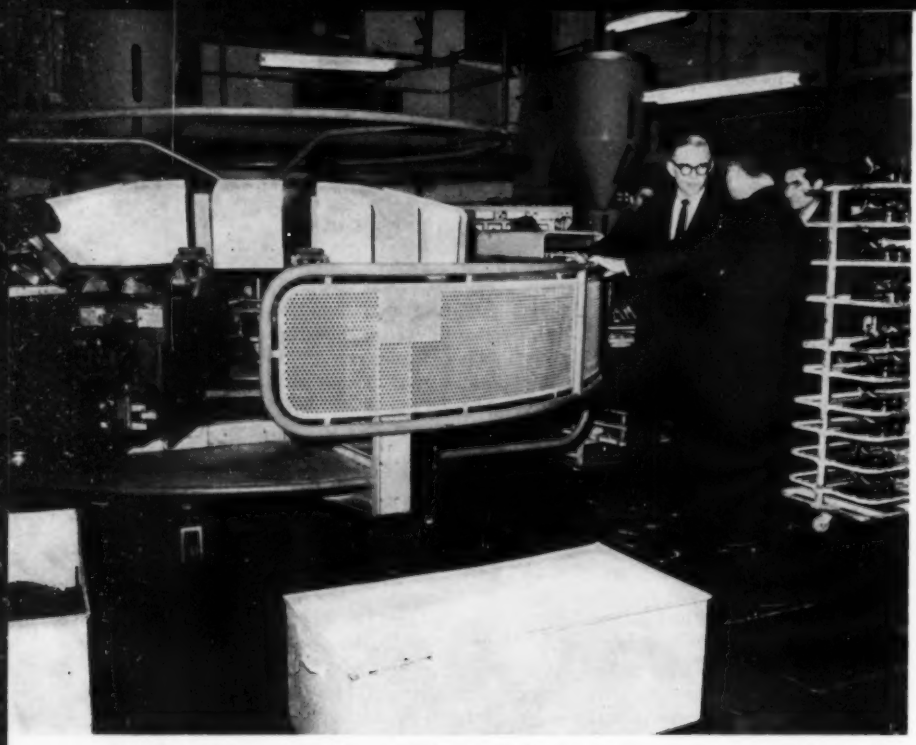
Credit a problem

One reason might be credit. The owner and director of Iran's largest shoe manufacturing firm, for example, informed the reporting officer that U.S. shoemaking equipment was the best in the world and that he would buy much more of it if U.S. firms would match European firms' (especially German) credit facilities. U.S. firms, he said, which are not familiar with Iranian businessmen and apparently doubt their credit-worthiness, will sell only on irrevocable letter of credit terms whereas the Europeans offer three years credit on open account. When he wants a piece of U.S. equipment, he must go to the United States to see it and order it. European firms visit him regularly, provide technical data on their equipment, and service it when installed.

U.S. firms can, if they act with vigor,

AT FARAHABAD POWER STATION the IGE Export Division of General Electric Co. provided the Tehran Regional Electric Co. with three 82.5 megawatt steam-turbine generators, other equipment.





AUTHOR OF TH:S ARTICLE, Commercial Attache David Post, discusses merits of a molding machine for plastic shoes built for the Melli Shoe Co. by Hardy & Co., Boston, with a Melli official.

also become important suppliers to the newer industries being established in Iran such as food processing, electronics, household appliances, petrochemicals, glass, paper, diesel engines, machine tools, steel fabricating, synthetic fibers, agricultural chemicals, agricultural equipment, and packaging.

Finally, export opportunities abound for capital goods firms in supplying Iran's many needs under the Fourth Development Plan. (Information on the Plan and the opportunities it offers to U.S. exporters and investors appeared in the Dec. 2 and Dec. 16 issues of INTERNATIONAL COMMERCE. The Jan. 13 issue highlighted Iran's trade prospects.)

Fourth plan projects

So far under the Plan few entirely new public projects have been launched, its first year having been devoted largely to work on programs which had been started during the Third Plan. Many new projects are still to be announced but the following proposals are among those most likely to see early implementation.

In January the Ministry of Water and Power announced the receipt of tenders for the construction of the Reza Shah the Great (or Karun) Dam on the Karun River in Khuzistan Province. The dam will store 2,700 million cubic meters of water, will irrigate 326,000 acres of land and when all power generation units are in will generate 500 megawatts of electric power. Construction costs of the dam (not counting associated irrigation networks and power generation facilities) will come to more than $20 million. Other dams which may be started during the Fourth Plan are the Jiroft or Halilrud, the Talegan or Shahrud, the Nader Shah or Marun, and the Minab.

The Ministry of Posts, Telegraphs and Telephones (PTT) is almost ready to ask for tenders on a new Central Post Office in Tehran. This is a $3 million project in which the announced intention is to build one of the most modern and automated post offices in the Middle East. Turnkey bids are desired and almost all of the money budgeted will be spent on imported equipment.

Another PTT project about ready to go involves expansion of Iran's telecommunications network. Announcements have already gone out to the world's leading telecommunication firms that this project will soon be ready for tender. Inquiries from all interested firms have been requested. Iran is looking for a consortium of firms from one country that can undertake the entire project and at the same time offer long term financing. This project is in the $100 million range, with heavy purchases of microwave and multiplex equipment contemplated.

The Government has announced a plan to expand and modernize the Mehrabad Airport, Tehran's only airport, serving both domestic and international flights. This project will call for design and operations assistance by foreign firms and the purchase of considerable new airport equipment. The work is supposed to be finished by October. Also on the drawing boards, but not yet announced, is a plan to build an entirely new international airport about 40 miles outside Tehran. This project will also require the services of foreign experts both for design and operations. It has been costed at over $100 million.

Plants needed

In the private or quasi-private sectors immediate emphasis seems to be centered on a carbon black plant and an aromatics plant as further expansions in the petrochemical field. A number of U.S. firms have been approached by the National Petrochemical Corp. of Iran to join with it in these ventures.

The Government is also pressing for the establishment of a rayon fiber plant which, like the Allied Chemical Co. (ALIAF) nylon thread plant, is more feasible now that Iran is developing a petrochemical industry. Another venture which is being pushed is a compressor plant for Iran's refrigerator and air conditioning plants.

Similarly small electric pumps for the air cooler industry could probably be made in Iran as well as some of the electronic parts now imported by television and radio manufacturers.

Further opportunities will be presented in the heavy industry field, specifically iron and steel, aluminum, machine tool and other plants which will have to import many of their needs. Local supplier plants will also be established.

U.S. firms can choose either to help create such supplier plants, through joint venture investment, or to act as suppliers to those who do. The latter choice is risky, for should East European nations or the Soviets become the investors, their trade and payments agreements with Iran may preclude imports of many items from the West.

'One-voice' proposals wanted

In any event the overall trend is unmistakably toward a deeper and more complex industrial base for Iran and increased opportunities for exports of more sophisticated products.

As the Fourth Plan unfolds it is becoming clear that the Government of Iran is hoping, indeed insisting, that foreign bidders on public projects provide long term, low cost financing and, where appropriate, one-voice turnkey proposals un-

IN CYANAMID-KBC PLANT, U.S. Ambassador Meyer and company officials view pharmaceutical machine and assembly line at work.

Cyanamid's Iran distributor now partner there

An interesting example of an American company's participation in Iran's economic development is that of American Cyanamid. Cyanamid has been selling its Lederle line of pharmaceutical products in Iran for many years but its real success began about fifteen years ago when it arranged to be represented in Iran, on an exclusive basis, by the Khosrowshahi Brothers Co. (KBC). At the time the representation was agreed upon, KBC had already developed a strong sales force which was fully knowledgeable in the techniques of detailing doctors on the benefits of ethical drugs, had excellent connections in Iran and understood the drug business. It proved to be a first-class representative.

By 1966 it was apparent to American Cyanamid and KBC that Cyanamid should begin to manufacture its products in Iran. The two companies, together, had built up a good local market and the Government of Iran was encouraging joint manufacturing arrangements.

Cyanamid accordingly came to an agreement with KBC to set up a 50-50 joint venture under which the new company, to be known as Sherkat Sahami Cyanamid-KBC, would manufacture in Iran most of the products it had previously been importing.

In September 1966 the new company was launched with an initial capital of over $1 million. Two-and-a-half years later sales had spurted ahead. The company had 110 employees and was in full operation in a modern plant on the outskirts of Tehran occupying over 22,000 square meters of land and office space.

Joint ventures aim to bring advantages to both sides and the Cyanamid-KBC partnership is no exception. Because of KBC's understanding of the Iranian medical and pharmaceutical situation, Cyanamid has had invaluable help in solving licensing, registration and pricing problems, and in planning sales and production schedules. Market penetration, especially of new products, has been facilitated by KBC's experienced and fully trained staff of sales supervisors and detail men. A program of export sales (from Iran) is already under way aided in large part by KBC's knowledge of nearby markets. KBC's good relationship with Iranian medical, health and Federal Ministry officials has been of invaluable help in all of these operations.

KBC benefits by being able to draw upon the extensive resources of American Cyanamid for the training of Iranian personnel, technical assistance with production problems and a steady flow of new, fully researched and tested high quality ethical drugs.

der which the Government gets a complete installation and has to deal with only one foreign firm or group on each project. By long-term credit the Iranian Government thinks of ten years as a reasonable amount of time for repaying any debt. If it can get a one or two year grace period added, so much the better.

It is fully aware of international interest rates and realizes these are now at high levels; however, it considers itself a prime rate borrower and expects to pay no more than 6%.

These terms may seem a bit unrealistic to U.S. suppliers in view of high U.S. interest charges, but our leading foreign competitors are willing to meet them when they feel a project is worth it.

This was made evident late in 1968, in the recent Iran airport refurbishing project (a plan to re-equip 16 of Iran's airports with navigational aids and other items) when a British consortium offered 13 years credit, a three-year grace period and 5¾% interest on a $32.2 million proposal. U.S. firms were never in the running, not only because they didn't meet British financing but also because of their inability or unwillingness to set up a one-voice consortium of supplier firms to deal with the Government of Iran.

The one-voice consortium idea has come into fashion recently because of its simplicity and convenience to the Government. On major complex public projects Iran wants all the supplier companies from any foreign country to get together and submit a unified bid which will include all needed equipment for the project plus the financing terms. One member of the group should represent all the others and be responsible for the installation and

performance of equipment, the supply of foreign technicians, if needed, and the supervision of local training.

The British showed that this could be done in the airport project and the Iranian Government reportedly will ask for something similar when bids go out for the post office modernization plan and the telecommunications project. U.S. firms may find it difficult to obtain contracts in Iran if they cannot adapt.

Private investment policy

Iran continues to welcome foreign private investment but there are a few caveats that should be understood. The day when virtually any foreign investment would be accepted on the foreigner's terms is over. Iran now has multiple applicants for nearly any investment it wishes and can pick and choose among foreign bidders. It therefore usually asks for a proposal from a foreign firm which it can compare with others.

Also its domestic capital market is growing and many new ventures are being started by Iranian capitalists without foreign participation. Iran prefers this, as it wishes to maintain its economy in the hands of Iranians. Consequently, even where foreign investment is sought, foreign equity is being kept at 50% or less, although plant or technical management by the foreigner is often requested. Another factor to consider is that some industries are already fully invested—so to speak—and new proposals (unless very unusual) are not likely to be accepted. This is true, for example, in textiles and pharmaceuticals. Government planners want to wait until the entire economy expands before allowing new firms into crowded sectors.

Prospective investors should also realize that the choice of site for a factory may be controlled by the Government and that in some cases there may be limits placed on the volume of production of a plant and on its expansion. These latter points are usually negotiable but the Government insists that they be negotiated and not taken for granted.

On the plus side, repatriation of capital is permitted and profits and dividends can be readily transferred. Tax holidays are granted depending on the location of the plant and the type of project, and duty free importation of capital equipment is permitted. Profit margins are in no way delimited although price controls may be applied to any product if, in the Govern ment's view, its price is excessive.

In spite of the more controlled investment climate in Iran, opportunities for profits abound and U.S. firms already there are generally expanding and planning to stay.

American business community

A recent survey by the U.S. Embassy in Tehran indicates that some 100 American business firms have sent about 740 heads of families to Iran to work for them in this expanding market. Many of these work for the oil companies and drilling firms while others are with consulting firms, pharmaceutical companies, automobile and tire manufacturers, electrical equipment companies and construction equipment suppliers.

The number of Americans is scheduled to increase during the next two years by between 200 and 400, depending on contracts and work obtained. Virtually none of the firms interviewed intend to reduce their American representation in Iran. U.S. businessmen have organized an informal American Business and Professional Group, which holds monthly luncheons with prominent business and government leaders as speakers.

American firms operate in Iran in all the usual ways: branch offices, wholly-owned subsidiaries, joint ventures, licensing and technical arrangements. Some 30 firms (not counting oil companies) have made sizable capital investments in Iran and non-oil investment (capital actually transferred to Iran) could surpass $120 million by year end 1970 (total U.S. private direct investment is estimated at $300 million). To point out how American firms have succeeded in this market, brief stories have been prepared on two American companies, IBM and American Cyanamid.

These are illustrative only and competitors of the two chosen have been equally successful and imaginative. Success stories abound in Iran and many other examples could be cited.

FLAT GLASS PLANT designed and built in Ghazvin, Iran, by General Glass Equipment Co., Atlantic City, N.J. It can make 75 tons of varying thicknesses of flat glass per day for Iran's building industry. Glass is made mostly with local raw materials, crushed and processed in the plant enclosure.

IBM COMPUTER UNITS are viewed in operation at Melli Shoe Co. by firm officials, Attache David Post and Commercial Officer Edward Springer (above). At right is an Iranian key punch operator, and at lower right a programmer explaining printer function to Post.

Iran in the computer era: IBM's experience

The world whirls into the age of advanced technology, computer by computer, and Iran is an apt example. It is an index to trends in Iran to note that the size of the IBM organization, to offer an illustration, has doubled in the past three years, and this curve continues upward.

IBM operates a wholly-owned branch in Iran. Its operations began in 1956 when it installed a computer to aid in the compilation of the Iranian census of that year. Ten years later another census was compiled with the assistance of an IBM 360/30, a vastly more sophisticated unit than the one used originally.

The newly appointed general manager of the company is an Iranian citizen, Paul Saeedi. IBM Iran has, in addition, 121 employees, mostly teachers, programmers, systems analysts and maintenance people, many of whom are U.S. college graduates.

Over 80 government and business organizations in Iran utilize data processing equipment. By January 1969, more than 20 IBM computers had been installed in the country. Principal users are: the Statistical Center of Iran, the National Iranian Oil Company, the Ministry of Finance, the Electricity Authority of Tehran, the Tehran Water Authority, the University of Tehran, the Iran Oil Operating Companies (Consortium), the Bank Saderat, Pahlavi University, the Abadan Institute of Technology and the Melli Shoe Co. Other organizations are also working on programs to install IBM computers.

Most of the IBM computers installed in Iran are completely bilingual and print either in Farsi or English, French, Italian, or such other language as the application requires. Computer systems are leased to customers rather than sold outright.

Training of personnel in data processing is an important part of IBM's service, as is installation and maintenance of all units. By the end of 1968 IBM had trained over 1,200 persons in data processing alone and its education center in downtown Tehran is thriving.

Illustrative of IBM's program in Iran is its work with Iran's largest shoe manufacturing firm, the Melli Shoe Co. Melli shoes are known throughout Iran and are sold in 250 wholly-owned retail stores, 90 of which are in Tehran.

In 1967 Melli decided that its operations would be improved through the use of a modern computer. For many months it had been discussing such an installation with IBM representatives and finally decided upon a 360/20 system. Melli recently acquired two disk storage drives which replaced two older model tape storage drives.

This equipment enables the company to analyze sales (shoe styles, color and size), to maintain its finished goods inventory, its main warehouse raw material inventory, its spare parts inventory, its control of retail outlet sales and to perform accounting services.

In July it will install a data collection system throughout the plant for production control purposes. Next January it will update its base unit still further by going to IBM's 360/25 system. All of this equipment is leased from IBM and is serviced by the company. IBM also provided training for the programmers and other operating personnel and adapted the equipment to the Farsi alphabet.

So useful is this installation to Melli that the managing director stated simply, when asked how valuable the computer center was to his operations, "I couldn't operate the Melli Shoe Co. without it."

Brazil has trade promise

Commerce at record levels; new measures reflect strong anti-inflation drive

The rapidly expanding Brazilian economy offers favorable opportunities to U.S. exporters and investors, particularly in construction equipment and materials, agribusiness, chemicals, electric power equipment, communications and other priority industry sectors. The Brazilian Government continues to follow a relatively liberal policy on imports of capital goods and raw materials, and to provide incentives to foreign as well as local investors, according to information received by the Department of Commerce.

After several years of relative stagnation, the Brazilian economy started to recover in 1967 and is currently experiencing its 22nd month of steady growth.

Imports set an all time high of almost $1.86 billion (f.o.b.) in 1968, an increase of 29% over 1967. Raw materials accounted for 50% of the value of imports, machinery and equipment 32%, food products (mainly wheat) 15%, and other items combined, 3%. Given the continuing high level of investments, it appears that imports should increase about 10% in 1969, with a continued high percentage of capital goods.

The government is showing some concern about the impact that the rapidly rising volume of imports may have on the balance of payments, and has already increased duties sharply on a number of products of relatively low priority to discourage imports of these items (such as automobile parts, soap, textiles, plastic wares, transistor radios, and some food products).

An additional import obstacle is the fact that exchange must be closed in advance on imports of goods with import duties over 50% ad valorem. The effects of this measure will not be great, however, because the products affected account for only about 2% of total imports. In addition, exemption from the 17% circulation tax enjoyed by companies importing capital goods equipment for their own use was rescinded in January for an indefinite period to put a brake on the very rapid increase in the importation of capital goods (40% increase in 1968).

Exports exceed imports

Exports also set a new record in 1968 and slightly exceeded imports at $1.89 billion. Record coffee exports, plus good sales of corn, cotton, sugar, beef and iron ore were the main contributors to this good showing.

Exports of manufactured products, valued at $132 million, were down about 5% from 1967 owing to high domestic demand, but Government and industry groups are working together to find ways to stimulate exports of manufactured products. The flexible exchange rate policy adopted last August should help promote an overall increase in exports.

Although the period may be too brief to show a reliable trend, it is interesting that exports in January were estimated to be 23% higher than in January 1968.

The government is paying close attention to financing terms in order to maintain a healthy debt service structure. An Inter-Ministerial Committee has been formed to review and attempt to improve the terms of foreign loans and project financing, and through the Central Bank review procedure the government tends to favor the suppliers offering the best credit terms.

The U.S. share of the Brazilian market dropped from 34% in 1967 to 31.5% in 1968. U.S. suppliers are doing well in chemicals (principally fertilizers) and semi-finished manufactures, which together account for over 30% of total imports, but are falling behind in the capital goods sector which represents one-third of total imports (raw materials and food products account for the rest). Capital goods imports increased 40% in 1968, but U.S. capital goods exports to Brazil increased only 12%. Although U.S. suppliers retain a large share (about 40%) of the capital goods market, the trend is sharply downward.

Faced with increasingly sharp price and quality competition and very aggressive salesmanship from the Europeans and the Japanese, U.S. suppliers need to offer competing credit terms to survive in this market.

The U.S. Industrial Machinery Exhibit (USIME) held in Sao Paulo last October was an outstanding success, setting an all-time sales record (since broken at the recent Puragua Show in Rome—see INTERNATIONAL COMMERCE, Mar. 24) for a Department of Commerce sponsored exhibit abroad. As of this writing (March 1969) the British are putting on an even bigger show in Sao Paulo, and according to the press, will have 22 million pounds sterling available to finance purchases at 5½% interest. The Italian industrial exhibit later this year in Sao Paulo is to be about twice as big as USIME.

The sheer size of the Brazilian nation (90 million people), the already relatively well-developed South-Central region, and the prospects for a continued favorable rate of GNP growth mean that this economy is becoming a major market in world terms. The Brazilian Government welcomes foreign private investment both for its contribution to domestic capital formation and as a source of modern technology. In short, Brazil offers a major opportunity to U.S. investors.

The prospects for continuing Brazil's economic growth throughout 1969 are good, with the generating force being provided by the rising level of private investments induced by the National Housing Program, the Regional Development Program for the Northeast, the Agricultural Credit and Price Support Program, and the financing supplied by the National Economic Development Bank for investment in industrial projects.

Stimulated by these programs, private sector investment rose 35% in constant prices in 1967 and another 28% in 1968. The outlook for 1969 is a further increase of about 10%. Public sector investments remained fairly stable during this period

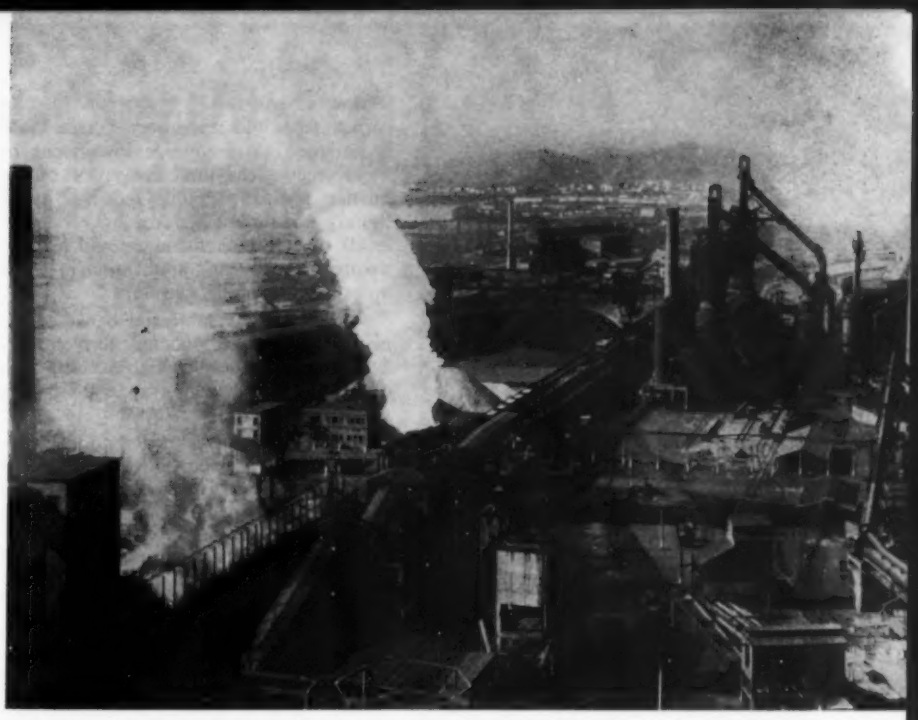
INSTANT BUSINESS COMMUNICATIONS by satellite are possible for Telex subscribers in Brazil and the United States, through this newly installed machine at Western Union Int'l in New York and its mate in Itaberai, a suburb of Rio de Janiero.

so that private investment, which represented 35% of total investment in 1966, is projected to exceed 50% in 1969.

Rural credit, which was relatively stable through 1966, increased in real terms by 30% in 1967 and another 36% in 1968. A further rise of 8 to 12% is forecast for 1969. The Central Bank has launched a program to increase the effectiveness of rural credit through expansion of technical assistance activities. More than a dozen large commercial banks already have hired agricultural technicians to assist in carrying out the requirements of Central Bank Resolution No. 69 of Nov. 21, 1967, which specified that commercial banks must extend loans to rural applicants in an amount equal to 10% of their total deposits or provide an equivalent amount to the Central Bank for use in this sector.

During the first ten months of 1968, the Industrial Development Commission (CDI) of the Ministry of Industry and Commerce approved 421 individual projects for new plant or plant expansion, involving a total investment of $280 million. This compares to 271 projects valued at $493 million in all of 1967. These investments are concentrated largely in chemicals, food processing, textiles, construction, automotive, paper, and electrical appliances. Projects approved by CDI are benefited by reduction or exemption of duty on imports of equipment, certain tax exemptions, and the possibility of obtaining financing from official credit institutions, at preferential rates.

Investments generated by the National Housing Bank (BNH) rose from 2.4% of total investments in 1966 to 10.8% in 1967 and are expected to reach 14.9% in 1969. The level of investment in building construction financed by the BNH in 1969 is projected at the equivalent of $550 million. Investments financed by SUDENE-BNB 34-18 funds in the Regional Development Program for the Northeast are expected to reach the equivalent of $250 million in 1969 (6.6% of total national investments).



NEW OR EXPANDED INDUSTRIAL PROJECT APPROVALS by the Industrial Development Commission were running at about twice the previous year's level in Brazil during 1968. Above, the Volta Redonda steel mill.

Since 1964, the international financial institutions have been gradually increasing loans and disbursements to Brazil. Most of the loans are of an infrastructure nature and cover foreign exchange costs only.

Disbursements by international institutions for investment in Brazil are expected to increase from an estimated $356 million in 1968 to $461 million in 1969.

The overall increase in industrial production for 1968 over 1967 was estimated at 12 to 15%. However, as most key industries are now operating at full capacity, it is doubtful that this rate of increase can be maintained, and the consensus of informed opinion is that industrial production will increase about 6 to 8% in 1969.

Nevertheless, 1969 is off to a flying start as evidenced by the fact that job offers in the industrial Sao Paulo area were 50% higher in January than they were in January 1968, electric energy consumption was up 12%, steel industry production was up 20% and is already fully booked through October 1969, and motor vehicle production in January was 54% higher than a year earlier.

Brazil had an estimated balance of payments surplus of $117 million in 1968 owing to the record level of exports and substantial net inflow of short-term private capital. Official capital disbursements also increased slightly in 1968, helping to offset the small rise in outflows for services and amortizations.

In 1969, Brazil's balance of payments should be about in equilibrium or at worst show a small deficit. Imports of capital goods remain high in response to high internal investment demand, and short-term private capital inflows are not expected to equal the unusually high level of 1968. However, tight domestic credit and the tax and tariff measures mentioned previously will probably prevent import expansion equivalent to that in 1968.

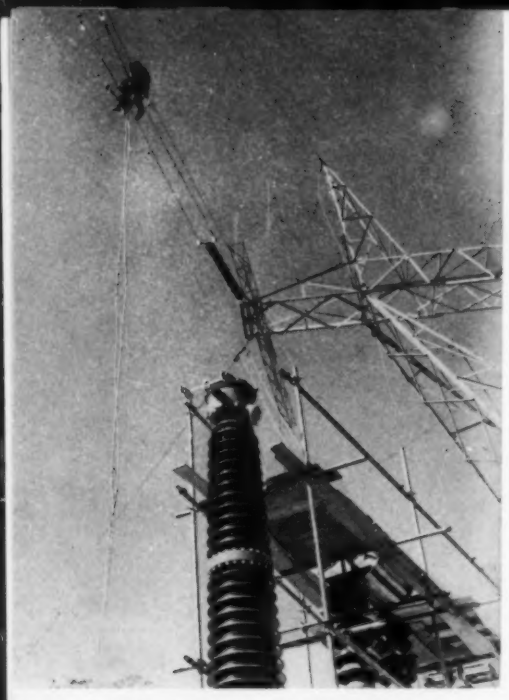
Coffee exports are expected to continue at 1968 levels and exports of non-coffee agricultural products should expand satisfactorily, owing to the stimulus of the adjustable exchange rate system and various fiscal and monetary incentives. Thus merchandise trade (f.o.b.) probably will remain approximately in balance.

The overall capital account surplus is expected to be less in 1969 as private short-term inflows level off, but it is important to note that direct foreign investment, long-term private loans, and disbursements on official loans from international agencies are all expected to rise significantly in 1969.

The wealth of decree-laws, resolutions and circulars affecting the economy that have been issued in the past two months

Brazil devalues

Effective Mar. 19, Brazil's Central Bank adjusted the exchange rates of the new cruzeiro to the following U.S. dollar equivalents: 3.975 buying and 4.0 selling. The adjustment represents a devaluation of approximately 1.79% from the rates of NCr$3.905 buying and NCr$3.930 selling which had prevailed since Feb. 4. This is the fifth small devaluation since the flexible exchange system was introduced in August (*International Commerce*, Sept. 30).



ELECTRIC POWER CONSUMPTION in the Sao Paulo area was running 12% of levels a year ago during January, reflecting Brazil's growing industrial activity. This workman is stringing lines at the Furnas hydroelectric project. (World Bank photo).

appear to have two basic objectives: to reduce the rate of inflation, and to induce a change in investor preference from short-term to long-term and equity investment.

On the fiscal side, the monetary budget calls for a 50% drop in the fiscal deficit. This is to be achieved mainly through a 10% reduction in personnel expenditures and a 40% reduction in transfers of federal tax revenue to states and municipalities. As the fiscal deficit has been a major factor in the rate of inflation, the planned sharp reduction in the deficit should help to reduce the rate substantially from the 25% level of 1967-68. In this connection, it is encouraging to note that federal tax revenues in January exceeded those of January 1968 by 20% in real terms.

To reduce inflationary pressures and encourage more productive, longer term savings, the Government has taken the following significant steps:

- temporarily eliminated the tax on transfer of reserves into working capital, and authorized the application of monetary correction to working capital for the purpose of calculating taxable income (this should encourage use of the firms' own resources for working capital and thus reduce demands on commercial banks for this purpose);
- put a maximum limit on the interest rates offered on trade acceptances by finance companies, and provided for collection at source of a tax on income earned from the trade acceptances. This is designed to discourage investment in trade acceptances, limit the growth of the finance companies, thus reducing inflationary pressures generated by very high levels of consumer financing and making savings available for application in other areas of the capital market;
- authorized commercial banks to receive term deposits with monetary correction and to issue negotiable certificates of deposit (designed to expand the bank's credit resources);
- authorized investment and development banks to issue convertible debentures in order to give them the means to expand their financing of longer-term development projects;
- increased income tax credit incentives for purchases of company shares, and reduced the tax rate on dividends, thus encouraging investment in common stocks and expansion of the stock market.

The actual impact of these measures remains to be seen, but if as intended they help to reduce inflation and to create a viable capital market, then together they will constitute an important contribution to rational economic growth. Noteworthy is the fact that a NCr$50 million stock issue of the Rio-Sao Paulo Light Co. was fully subscribed in 20 working days in January. Some 85,000 individual stockholders participated. The company president described the results as "fantastic."

Although 1968 price performance suggests practically no improvement over the 25% price increase in 1967, this was due in part to the impact felt in 1968 of a 41% currency devaluation (compared to only 22% in 1967), and the direct impact on prices in 1968 of an increase of 2 percentage points in the federal excise tax and state value-added taxes.

The more flexible exchange rate system adopted in late August 1968 will require only small, periodic devaluations in 1969 to keep up with domestic price increases.

Whether or not the rate of inflation can be reduced to the 15% range in 1969 depends to a large extent on the ability of the Government to achieve the proposed reduction in the fiscal deficit, and to implement a considerably tighter credit policy than it has in the past two years, as well as on the level of agricultural output.

The very strong investment demand and the attendant demands for liberal credit will be working against the Government's goal. Credit has been tight during the first two months of 1969, causing protests from the business and banking community. Recently the Minister of Finance took steps to ease the credit situation by temporarily extending special rediscount lines, by making advances on agricultural credit lines, and by temporarily authorizing finance companies to continue to finance working capital for their traditional customers.

The National Superintendency of Supply (SUNAB) received additional price control authority under Decree-Law 422 of Jan. 20, and has intensified its activity in policing prices of consumer goods, foodstuffs, cement and some other materials for the construction industry.

SUNAB now has authority to establish and enforce maximum and minimum prices at both the wholesale and retail level. Prices for a number of services were frozen at Dec. 31 levels for a four-month period. In addition, trade sources state that the Inter-Ministerial Price Council (CIP), which is concerned primarily with industrial cost and price relationships, is scrutinizing proposed price increases of industrial products.

Local industry protected

A Finance Ministry Regulation issued Jan. 14 gives "national firms" a 15% price advantage over foreign competitors in any international bids to supply machinery, industrial equipment, or semi-manufactured products, with financing of more than 15 years. For the purposes of this regulation, "national bids" are those in which the value of components made in Brazil represents at least 50% of the value of the total equipment package. The price of foreign bids is equal to 115% of the landed cost, calculated in local currency at the official rate of exchange prevailing on the day before the winner is announced. Included in the landed cost are the Merchant Marine Renovation Tax and the Port Improvement Tax.

In cases where financing is less than 15 years, or there is no financing, the price of foreign bids will not be increased by 15%, but will include, in addition to the landed cost, the import duty, the Industrialized Products Tax (IPI) and the Merchandise Circulation Tax (ICM) even though the importer might be exempt from paying these taxes. The price of national bids, where national similars are exempt from the IPI and/or ICM, will be reduced by an amount equal to the tax incidence on its component parts.

A decree has been signed which forbids federal government entities to hire foreign firms to provide technical services, when these can be supplied by a Brazilian organization. National firms are those with their head office in the country, with majority shares held by Brazilians, and with at least half of its technical staff composed of Brazilians.

U.S. exporters should benefit from higher Colombian imports; some items added to free list

Gross internal product expanded by almost 6% in '68; greatest improvement in agriculture, manufacturing, construction

By T. K. BREWER
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INCOMEX, the Colombian Institute of Foreign Commerce, expects an increase in import licenses granted of at least 12% in 1969. Import registrations in 1968 totaled $625 million, an increase of 20% over 1967. Increased import registrations in 1968 reflected the general improvement in Colombia's balance of payments and international reserves. Further improvement is expected in 1969.

Slightly over 46% of 1968 import registrations were granted to purchasers of U.S. goods, compared to 45% in 1967. However, the latest available import arrival data, which show actual importations rather than licenses granted, reveal a U.S. market share of just over 50% for January-July 1968. Colombian importers apparently complete a higher percentage of negotiations entered into with U.S. suppliers than with suppliers from other nations.

U.S. exporters should benefit from a projected increase of $75 million in import registrations, and there should be greater demand for certain products resulting from the Government's stated goal of reducing import duties and prior import deposits for products essential to industry and general economic development. There are also possibilities for increased sales of free list items which do not require a prior import license, and of products which may be imported by the Colombian importer using funds made available to the Colombian Government by the Agency for International Development.

Free imports

The Colombian Government freed a number of products from the prior import requirement in May 1968 and, although there is a limit to the demand for these products, the U.S. exporter is now able to compete in a free market for an increased market share. During 1966 and 1967, U.S. suppliers provided about 45% of these free imports.

Items on the free list whose imports amounted to more than $1 million in 1967 were asbestos, prepared explosives, compound catalysts, natural rubber crepe sheets, newsprint, seamless tubes and pipes, wire rod, aluminum alloy, aircraft and watercraft engine parts, earth moving machinery, ball bearings, agricultural and other tractors, and factory and warehouse work trucks. A wide variety of chemicals, machinery parts, and other industrial items are also included.

Products in over 230 Colombian tariff positions may be imported from the United States by Colombian importers using funds made available to the Colombian Government by AID. Both capital goods and general commodities, including such diverse items as food processing machinery, electric furnaces and ovens, tools, and chemicals are included in this listing. Products eligible for this program consist mainly of those considered essential to the Colombian economy and of those where U.S. exporters have had difficulty competing.

Although the current AID import assistance loans were scheduled to expire on March 31, negotiations for a new assistance program with comparable monthly inputs have been conducted.

Exports increase

The improved import picture of 1968 and the projected increase in 1969 is in part due to the growth in exports during the same periods. Coffee export registrations grew from $312 million in 1967 to $354 million in 1968, as a result both of a larger volume of exports and an improvement in world prices. Likewise, minor export registrations increased from $119 to $154 million in the same period. The improvement in minor exports was attributed to the Government's export tax stimulus, efforts of the Export Promotion Fund, a rising exchange rate, and Colombia's participation in international fairs.

The Government has established a 1969 goal for minor export registrations of nearly $200 million. This goal is to be met, according to Government sources, by larger exports of cotton, refined petroleum products, petro-chemical products, meat, sugar, glass, cement and other mineral products.

According to preliminary estimates, the 1968 gross internal product grew nearly 6%, in real terms. Year-end figures were not available on all economic sectors, however, the greatest improvement apparently was in manufacturing, agriculture and construction.

Consumption of electric energy in the first nine months of 1968 by the manufacturing sector was up 8.5%, as compared to 5.2% the previous year. Cement production increased 12.2% in the first eleven months, and an estimated increase in construction volume of 22.6% was reported for the first eleven months of last year. Bogotá, Medellín and Barranquilla showed the largest gains in construction. Production of the major agriculture crops grew at a rate of about 7% in 1968. Transport of agricultural products by railroad registered a 40% increase.

The improvement in the agricultural sector was stimulated by larger credit availabilities and by more land under cultivation.

Foreign investment interest

Foreign investor interest appears to be increasing. The Planning Department, which reviews all prospective investments valued over $100,000, announced that they had approved 34 applications in 1968. These applications were valued at $20 million, a $1.5 million increase over 1967. These figures do not include petroleum investment (except for development of petroleum by-products.)

Approval of a nickel mining venture, under negotiation for some time, and several important investments in the hotel and tourist field, could raise the amount of 1969 investment approval considerably above those of 1968.

With the general improvement in the Colombian economy, the rising volume of import licensing, expanding import requirements for development, and reduction of import duties and prior deposits, American exporters should watch for opportunities for greater sales. The opportunities are a reality, and with aggressive marketing plus competitive terms vis-a-vis Europe and Japan, the traditional U.S. market share can be maintained, if not improved.

Turkey stays with goals

Despite election and economic pressures, Government holds on planned course

During this election year, the trend of Turkey's economy is for a continuation of the governing Justice Party's development policy aimed at a 7% annual growth of GNP.

The semi-annual Economic Trends Report from the U.S. Embassy in Ankara expects that the offsetting influences of an anti-inflation drive accompanied by expansive stimulants will have the net result of a 6% growth in GNP, with cumulative balance of payments strains possibly causing a business slowdown late in the year or in early 1970. Much, of course, depends upon the weather, the inflow of workers remittances, tourist receipts, and an upturn of exports in response to the incentives program.

The continuing drive for development opens many possibilities to U.S. exporters and businesses interested in investment. Agro-industry looks especially promising with sales openings for a wide range of products and equipment. Turkish investors are looking for foreign contributions of technology and marketing know-how to help them take advantage of official investment and export incentives.

Modernization of plant, equipment, and especially of management and sales techniques appears to be the prime area of interest to Turkey's expanding clan of entrepreneurs. The Government favors such efforts, and in various areas and ways is seeking to improve its own operations. This rising interest in modernization, apparently stemming from a recent growth of realism and sophistication in examining the needs and prospects of the Turkish economy, opens many a door to well-prepared sales and investment proposals by a wide range of U.S. business.

At the same time the hard facts of restricted foreign exchange availability increasingly are being faced by the import control authorities, as delays in making approved foreign exchange transfers are longer now than last year at this time. They, as well as the ultimate customer, must be sold on the usefulness of the product or service. To this end, keying the sales pitch or investment proposal to the development plan and the sharpened appetite for export, or foreign exchange saving, should prove helpful.

Review of goals

The article on Turkey in the Feb. 10 issue of INTERNATIONAL COMMERCE gives a thorough review of the planners' goals and methods, while pointing out specific projects and fields where U.S. and Turkish Government funds are available for import purchases. It should be read carefully by U.S. businessmen already active in Turkey, or looking in its direction.

The fields in which U.S. sales prospects appear good include citrus processing and packing equipment, cotton saw gin machines, livestock, office equipment, business machines, forestry machinery and hotel equipment. Fertilizers and kraft paper are two items with which U.S. firms recently have penetrated the Turkish market. However, efforts to retain this position, and possibly increase it, are needed.

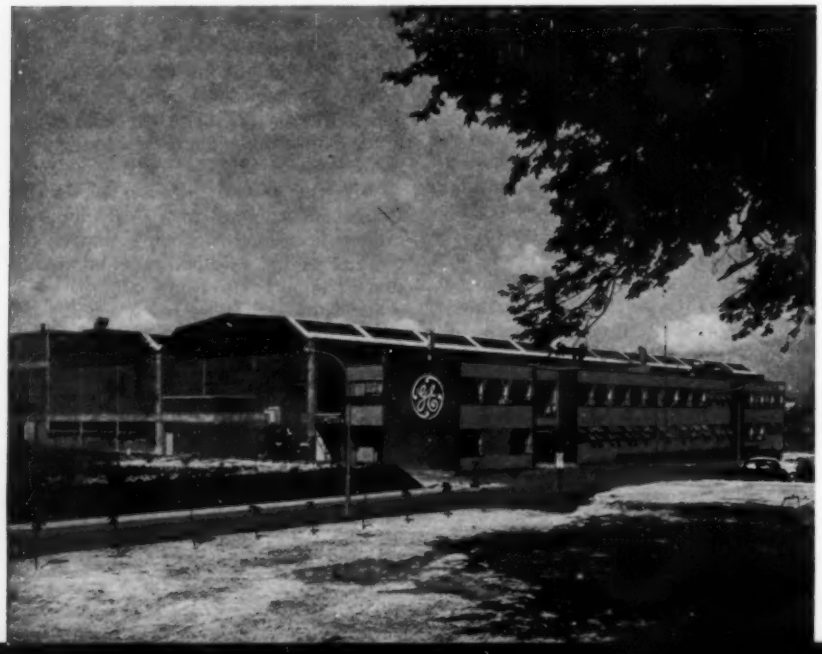
Other fruit and vegetable processing materials and equipment are salable as well, but opportunities will be improved if sales can be linked to investment or joint venture proposals combining improved technology, marketing contacts and knowledge. In many instances it appears that local funds and land controlled by businessmen skilled in Turkish operations are seeking arrangements to combine their resources with catalytic inputs of foreign talent, equipment, and know-how to make agro-industry more than a word in this part of the world.

A fact of life that must be recognized in either seeking sales or investment in Turkey is that considerable time and effort is often required. Cases of foreign investment proposals being negotiated over a period of several years are numerous, and major sales possibilities require more than correspondence or a single visit to achieve success. Follow-through by means of a capable local representative and visits of sales or technical representatives are very important in convincing local buyers and officials that the sale or proposal should be approved.

The Bosphorous or Eurasian Bridge is to be started with a groundbreaking ceremony at Istanbul in July. This physical effort to link East and West occurs at a time when Turkey is strongly pursuing its policy, admittedly long term, of integration into the European Community, and developing a wide range of joint-purpose projects with its partners, Iran and Pakistan, in their Regional Cooperation for Development organization.

Improving transportation systems in both directions, and more imaginative joint-investment and marketing proposals and efforts should be kept in mind in consideration of Turkey as a market or area of possible investment. Over the past few years, Turkey has expanded its horizons, and as it carrys out its East-West goals will provide established firms a position to benefit from its multi-lateral vision.

TURKISH INVESTORS are looking for foreign contributions of technology and marketing know-how. Below, General Electric's Istanbul plant for production of motors and refrigeration units.



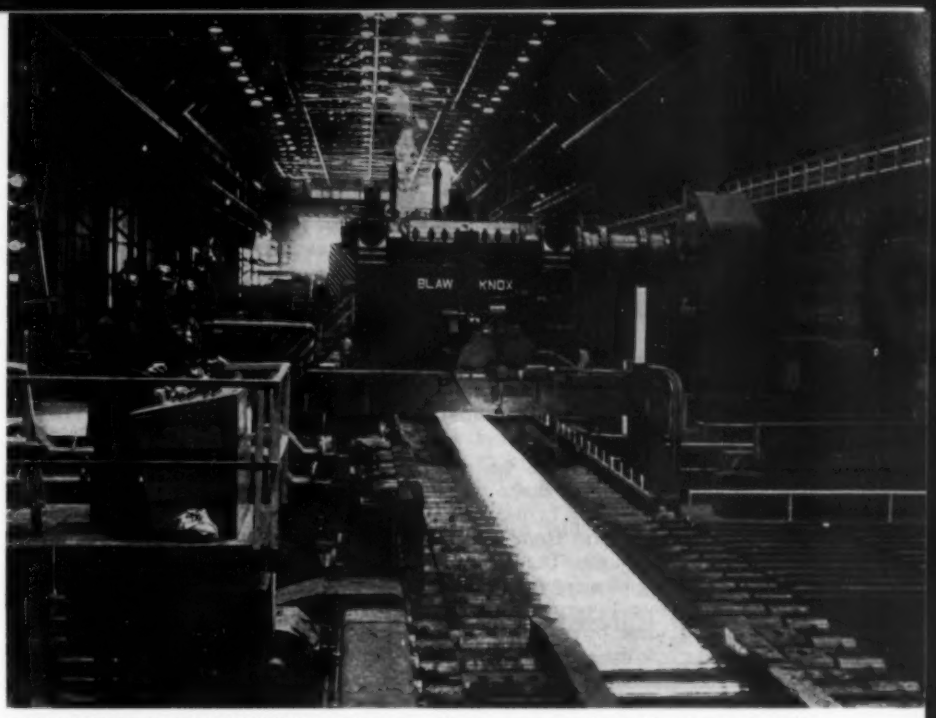
But all is not gloom. While the path chosen by Turkey's leaders and planners may not be the one many qualified foreign experts would advise, response is noticeable from the economy. Thus, the period since the renaissance of investment and export incentives in July 1967 can be viewed as the beginning of a new cycle. The effect of the multitude of measures taken under this authority is cumulative over time, but appears to be only now gaining the needed momentum.

The observable effects are primarily intangible at the moment, reflected in awakened entrepreneurial interest in new investment and export opportunities. It is in the dynamic commercial areas of Istanbul and Izmir, and the Cukurova Plain centered in Adana and Mersin, that the vitality is noted. The foreign observer in Ankara is more likely to be overwhelmed by the mass of rules, regulations and procedures that appear to be the government's principal contribution to the effort to increase foreign earnings.

Apparently these measures do not inhibit or disturb Turkish businessmen to the same extent they do the foreign observer, as some successes are being scored using the tax rebate system. For example, modest sales of refrigerators, washing machines, and textiles have been made recently to Saudi Arabia, Kuwait and Iraq. Perhaps the maxim "where there is a will, there is a way" best describes the fact that such results, though still lagging behind the need, are being achieved.

Local businessmen appear to consider agro-industry as offering the best opportunities for early success. Either in proposing joint ventures with foreign users of products available from Turkey, or alone in efforts to build up or newly penetrate markets to East and West, Turkish entrepreneurs are examining the country's produce, endorsing and cooperating in official efforts to improve standards and quality control, and marketing equipment, knowledge and methods.

Remittances from the still growing number of Turkish workers abroad, tourism receipts and the inflow of private foreign capital have turned upwards in recent months. Planners and officials are hopeful that this portends the future trend. It may, as both workers and tourists now seem well accustomed to the special bonus accorded their foreign exchange which effectively gives them 12 Turkish lira per $1 or equivalent. But maintenance of the Western European economic expansion, and relative peace in the Near East will be needed in order to sustain the increase in receipts from these sources, as well as further improvement in the operation of the State Planning Office program to encourage foreign investment.



RISING INTEREST IN MODERNIZATION in Turkey opens the door to many sales and investment proposals. Shown above, in Ankara, is the Eregli steel mill—largely equipped with U.S. machinery.

The economy is coming under severe pressures this year as the balance of payments deficit worsened during 1968, and the response to export incentives because of the short time they have been in effect has not yet become strong enough to play a major role in filling the foreign exchange gap.

Wholesale prices, according to official indices, were held to a 4% rise in 1968, while monetary expansion was somewhat slower than in 1967. The likelihood is, however, for a somewhat sharper price increase this year.

The already tight foreign exchange position may reduce imports of needed raw materials and supplies leading to a business slowdown late in the year; however, inventories built up in 1968 may be adequate to hold off a downturn until 1970.

Signs so far are that Turkey's officials are facing their development dilemma courageously, but ambitiously. While raising prices of non-essential monopoly products for the second time in two years, retaining a strict credit policy despite tight business liquidity, and proposing measures to Parliament to raise import costs, to increase some business taxes and to improve general tax collection procedures, there has been a further spreading of the investment and export incentives program established by Law 933 of July 1967, to cover a widened range of activities and products.

The weather is, of course, a decisive factor in looking at Turkey's prospects. In 1968, early cool weather on the Anatolian plateau shortened the wheat growing season, reduced the crop yield, dropped the GNP growth rate by perhaps one percentage point and required the import of 300,000 tons of U.S. wheat under a PL-480 agreement signed Feb. 6, and 70,000 tons from other sources.

In early March, conditions appeared good for nearly all crops, but it is too early for predictions to have much meaning. Barring severely adverse conditions, however, slowly improving farm technology and the "Mexican Wheat" program will combine with output of native wheat varieties to meet local consumption needs.

Greater care with other crops should provide both adequate local supplies and enough surplus to give exporters the opportunity to expand their sales of cotton, fruit, nuts, and vegetables, provided inflation-swollen incomes do not cause local consumption to absorb too much of the supply.

All of the above is in support of the view that Turkey has entered 1969 under varied and severe economic pressures. Yet, there is a strong spirit abroad in the land, a will to succeed, somehow, with the development program. Thus, we must say that while goals will not be fully met, the economy will continue to make considerable progress, both in overall terms and in slowly modifying some of its structural shortcomings.

Agriculture, foreign investment, new industries give Upper Volta hope for an economic upswing

African nation buys few U.S. products now, but market exists for mass produced consumer items of low unit cost

Upper Volta seems to be emerging slowly from the economic slump of the past few years, according to the annual Economic Trends Report from the U.S. Embassy in Ouagadougou. The pattern of business closures and mergers continues, but at a slower rate. Foreign aid-financed industries and some private foreign investment has given the economy a needed lift.

Due more to strong government encouragement rather than to a favorable change in weather conditions, Voltan agricultural production increased in 1967-68. The income from increased cash crops has made a little more money available for consumption and investment.

Even assuming a gradual expansion of the Voltan economy, there appears to be little likelihood of substantial markets opening up here for American business. This is especially true of complicated and expensive American equipment, such as machinery, motor vehicles, and electrical equipment. Such items often require extensive maintenance and power sources which are very expensive here.

Although there is a good market for chemical fertilizers and other aids to increased agricultural and animal production, the shortage of consumer capital combined with import duties which are still relatively high makes the prospects of such sales doubtful. There is, however, a good market for mass produced consumer items of low unit cost, such as soap, batteries, light bulbs, combs, and others.

Prospects for U.S.

Only two large scale opportunities present themselves to American investors: the development of the mineral deposits in the northeastern part of the country and the development of large scale cattle ranching. Both of these projects would require large investments and a great deal of study.

Small scale investment prospects are mostly limited to processing industries and concerns producing for local consumption (such as textile plants and breweries) although agricultural processing plants for tomatoes, mangoes, and others are also feasible. The profit return on such investments, however, would be small.

An estimated 95% of the country's population is engaged in agriculture, mostly at a subsistence level. Agricultural production is, therefore, of paramount importance. Meat and live animal exports, which comprise 57.1% of the nation's total export volume, increased by 2.7% in 1967.

Production of cotton increased by 2.6%, but the production of groundnuts fell by 24.9%. On the other hand, exports of both of these cash crops rose 145% and 53% respectively, due to Government efforts to commercialize crops. Sesame seed production increased 84%. Shea butter and shea oil production, which is cyclical, was low in 1967 but appears to have been high again in 1968.

Unfortunately, there are no recent figures for the nation's two major food staples, millet and sorghum. There was a grave shortage of both products throughout most of 1967, however, the 1967 harvest was good and, in some areas above average. The 1968 harvest, on the other hand, was generally only fair to good, and even poor in some regions.

Although the economic situation is feeble, the number of wage earners increased 6.3% from 22,576 in 1966 to 23,999 in 1967, out of a total population of approximately 5 million. However, this is much under the 32,788 who held jobs in 1964. Approximately 1.2% of the active population are wage earners. A high, but unknown urban unemployment rate exists.

The African wage scale has not been revised since 1958. The guaranteed minimum wage in the modern sector is $0.12 per hour and $0.70 per day. The average laborer works 45-55 hours per week. The cost of living at the economic level of a day laborer fluctuates. It rose from 147.7 in Dec. 1965 to 151 in Dec. 1966 (base year 1958 = 100). It declined to 145.1 in Dec. 1967, but was beginning to rise again in early 1968. During this time, the cost of living for expatriates has risen from 117.2 in 1965 (base year 1961 = 100) to 125.6 in 1966 and to 127.8 in Dec. 1967.

Living costs to rise

Rents have remained stable for Africans and have fallen for expatriates. The cost of food has declined slightly for both groups, but the cost of clothing rose 2.6% for Africans and 14.6% for expatriates from 1966 to Dec. 1967. Except for locally grown food products, the cost of living is expected to rise for all consumers, due to recently increased prices on French goods.

Production in relatively older local industries (bicycles, electrical power, etc.) has declined as consumer needs have been met and the market has become saturated. In other industries, where the demand is still great, such as the production of galvanized metal roofs which began in 1965 and increased 61.3% in 1967, there is room for expansion. Several new industries were started in 1967-68 (shoe, match and cigarette factories, and an oil pressing and soap manufacturing plant) but their production figures have not yet been published.

When the Military Government assumed power in Jan. 1966, it was faced with a disastrous financial situation. Through higher taxes, austerity budgets, and the publication of the *Plan-Cadre* for 1967-70, the national economic development plan, the Government has begun to bring the economic situation under control.

The 1967 trade deficit declined 6%, and the Government was able to balance the budget in 1967 and 1968. A balanced

Small U.S. role

There is no direct U.S. investment in Upper Volta. Although there are no resident American businessmen, there are non-American representatives for several major U.S. firms. Few U.S. products are sold. In 1967, Upper Volta exported only $7,300 worth of goods to the United States and imported $886,000 (2.4% of total imports) from the United States. Most of these imports were food surplus and material for USAID programs.

Investors treated well

In spite of high tariffs and a relatively small market, the Government appears to extend very good terms to foreign investors. Although there are investment laws, in practice these seem to be open to negotiation. Upper Volta is very eager to receive investment, and terms concerning import duties, repatriation of capital, etc., which are beneficial to both the investor and the country, can almost assuredly be arranged.

budget of $36.86 million is predicted for this year.

While only 69% of the *Plan-Cadre's* goals for 1967-68 were fulfilled, there is renewed economic activity in the country. Much of this activity is the result of foreign aid projects, such as the European Development Fund (FED) aid to pave the road from Ouagadougou to Ghana and to build a textile plant in Koudougou. Private ventures, however, have also been launched. The economic impact of these undertakings should begin to be felt in 1969 and 1970.

As an outgrowth of the *Plan-Cadre*, seven Regional Development Organizations (ORDs) have been established throughout Upper Volta. Financed mainly by French aid, the ORDs are engaged in rural economic and agricultural development. A major project is the commercialization of cotton. As the result of joint ORD-farmer efforts, cotton production has risen from 7,463 metric tons in 1965 to an estimated 30,000 tons in 1968-69. Other cash crops, such as potatoes and onions, have also shown remarkable increases.

Even with recent agricultural successes and improved prospects for the industrial sector in 1969-70, it is highly doubtful that Upper Volta will come close to achieving the economic goals forecast in the *Plan Cadre*, i.e., an annual growth rate of 4% (it was less than 1% from 1964-66) and an increase in the Gross Domestic Product (GDP) of $23 million by 1970.

On Jan. 1, 1969, in an attempt to lower prices and increase the flow of consumer goods, the Government lowered tariffs on many items used in economic development, such as agricultural implements and supplies, automobiles, and trucks. Income taxes were also lowered and the cost of living index was raised for Government employees. At the same time, commercial concerns were ordered by the Government to keep orderly, easily verifiable records and to pay increased turnover taxes. By these measures, the Government hopes to ease the financial burden on the consumer and wage earner and, at the same time, make it more difficult for merchants and industrialists to escape tax payments to the Government.

In 1967, the money supply and gold and foreign currency exchange holdings increased by 8.6% and 13% respectively. This was due to a reduced adverse trade balance, increased French aid ($1,987,000 above 1966), and constant Government efforts to reduce expenditures.

Bank loans are not difficult to obtain for solid financial projects. Short term loans (up to 6 months) and medium term loans (up to 5 years) can usually be obtained from commercial banks for from 5.5% to 8%. The interest rate depends, of course, on the income of the concern, its financial situation and its management. Long term loans are subject to much higher interest rates and are not often extended. The First National City Bank of New York has a 49% interest in one of the two main commercial banks in the country, the Banque Internationale pour L'Afrique Occidentale.

Currency curbs restored

Although Upper Volta, along with other members of the West African Monetary Union, made the CFA franc fully convertible in June 1967, financial difficulties in France since May 1968 have forced the return of currency restrictions. Currently, in order to repatriate money to non-franc countries, one must have the approval of the Voltan Finance Minister, the Director of the Central Bank, or one of their delegated representatives. Bona fide foreign businessmen, however, have little trouble obtaining such permission. These currency restrictions will almost certainly be lifted when such regulations end in France.

Most manufactured and consumer goods must be imported into Upper Volta. Large consumer demand, coupled with few exports and comparatively low domestic production, has created a large trade deficit. The Government has been increasingly successful in reducing this deficit. It was reduced from 57% in 1966 to 51% in 1967 (it had been 65% in 1964). The 1967 deficit, however, was still $18.5 million.

The Government has encouraged international public and private financial sources to establish consumer industries in the country in order to raise employment and lower consumer goods imports. These efforts have been increasingly successful.

Upper Volta is a member of the French economic zone. As such, it discriminates against non-franc zone products. Since import duties are the Government's main source of revenue, they are quite high. The import duty on American automobiles, for example, is 75.6% *ad valorem*.

The Voltan economy is dominated by French expatriates, most of whom have resided here for many years and have the backing of outside capital. Without this type of financial support, few commercial firms could withstand the vicissitudes of seasonal market fluctuations and periods of reduced economic activity.

Zambia increases duties on non-essential imports

The Government of Zambia recently amended that country's import tariff schedule to provide for increased duties on a considerable number of non-essential commodities.

The tariff structure has been simplified into three basic duty rates. Commodities which were formerly dutiable at 10% *ad valorem* (comprising primarily non-essentials widely used by lower income groups) are now dutiable at 15%. Other non-essential consumer goods, formerly dutiable at 20%, are now dutiable at 30%. A 50% duty has been placed on luxury goods purchased primarily by higher income groups.

However, virtually all commodities considered to be essential are still admitted into Zambia free of duty.

For information concerning duty rates on specific commodities **write:** Africa Division, Bureau of International Commerce, Washington, D.C. 20230.

Eximbank helps Morocco buy first U.S. jet plane

The Export-Import Bank has authorized a credit of $3.1 million to Compagnie Nationale de Transports Aeriens (Royal Air Maroc) of Morocco to help finance its first U.S. jet aircraft purchase. The Boeing 727-200 jet with related equipment and services will have a contract value of $8.6 million.

Royal Air Maroc will make a cash payment of $1,720,000 and The Boeing Company will participate in the financing to the extent of $344,000. The First National City Bank of New York will lend the remaining $3.44 million, to be repaid in seven semi-annual installments beginning six months after delivery.

New Indian budget proposes higher excise taxes, lower export duties

Five year extension of tax holiday for new industries urged; import duties on lubricants, autos, dry fruit, seedless dates raised

The budget for India's fiscal year beginning Apr. 1 has been presented to the Indian Parliament with few significant changes from the preceding year. Reaction from Indian businessmen has been mixed.

In his budget message, the Finance Minister expressed his view that fiscal 1968-69 had been a good one for the Indian economy. He cited the new dynamism in agriculture, general industrial revival, the restoration of price stability, and progress toward self-reliance as grounds for approaching the Fourth Plan period (1969-74) with confidence.

Included in the new budget are a variety of taxation proposals designed to make the tax system more responsive to the needs of economic growth. As a result of continued tax relief measures to encourage private business development, corporate income tax revenues will rise by only Rs. 40 million (1 Rupee = 13.3¢). Personal and other income taxes will increase by Rs. 240 million, with the burden of the increase in the middle and higher income range.

There is to be little change in import duties, but export duties will be reduced or eliminated on such traditional exports as jute and wool sacking, tea, and mica. New excise duties, estimated to total Rs. 1050 million, are to be imposed in an effort to mobilize resources from all sectors of the economy.

Basic tax rates on personal incomes over Rs. 10,000 will be raised. The rate on incomes between Rs. 10,001 and Rs. 15,000 is to increase from 15% to 17%, while the rate on incomes between Rs. 15,001 and Rs. 20,000 will increase from 20% to 23%.

The portion of corporate income exempt from taxation will be reduced from Rs. 25,000 to Rs. 10,000; income between Rs. 10,001 and Rs. 25,000 will be taxed at the rate of 4%.

Incentive and relief measures to Indian industries include a five-year extension of the tax holiday concession to Mar. 31, 1976; an increase in the amount of Indian company dividends exempt from taxation from Rs. 500 to Rs. 1000; and an exemption of 40% of royalties and fees received for providing technical expertise to other Indian firms. Cotton and jute textiles will be added to the priority industries receiving a development rebate.

New excise duties will be levied on fertilizers, power driven pumps, prepared or preserved foods, domestic electrical appliances, unexposed motion picture film, pilfer-proof caps for packaging, and wool tops.

Excise duties will be raised on cigarettes, motor fuel, superior kerosene, cellulose staple fiber, non-cellulose staple (polyester) fiber, hessians, and rayon yarn.

In defense of taxation of the rural sector through the new 10% excise on fertilizers, the Minister of Finance stated that "those who benefit by our substantial investments in agriculture . . . should contribute a part of their prosperity towards the cost of development in general." He indicated further that the wealth tax is to be extended to agricultural land and buildings in 1970-71.

Import duties raised

Import duties are to be increased on lubricating oil, motor cars, dry fruits, and seedless dates.

Export duties will be reduced on jute hessian and sacking, cotton bagging, packaged and other tea, degreased raw wool, and certain types of mica. Wool sacks are to be completely exempt from duty.

Information on India's duties on individual commodities may be obtained from the Near East-South Asia Division, Office of International Regional Economics, BIC, U.S. Department of Commerce, Washington, D.C. 20230.

The Minister of Finance presented a moderately expansionist budget showing a deficit of $333 million, compared with the $347 million deficit being realized during the current fiscal year. Both defense and development expenditures are scheduled to increase.

The new budget places current revenue at $3,829 million, capital receipts at $3,155 million, and total expenditures at $7,451 million, for a deficit of $467 million. The net effect of the new tax proposals will be to increase current revenue by $133 million, reducing the budget deficit to $333 million.

Development expenditures, set at $3,151 million in the new budget, represent an increase of $35 million over estimated development outlays in fiscal 1968-69. The increase includes larger provisions for steel production, ports, petrochemicals, fertilizer plants, iron ore mines, and copper and aluminum production.

The 1969-70 development budget also plans to accelerate programs for foodgrain storage facilities, agricultural credit arrangements, family planning, and export promotion.

Operating profitably in Europe is AMA topic

Executives from government, industry, and banking will participate in an American Management Association seminar on Operating Profitably in Today's Europe, scheduled for Apr. 14-16 at its New York headquarters.

Topics to be covered include such subjects as: foreign direct investment guidelines, legal considerations, balance-of-payments considerations, border taxes and other import controls, retrenching techniques, marketing and distribution, and personnel policies for international firms.

For further information, **write:** American Management Assn., 135 West 50th St., New York, N.Y. 10020.

Uruguay to buy U.S. goods with $2 million loan

The Export-Import Bank has authorized a $2 million Alliance for Progress relending credit in favor of Banco de la Republica Oriental del Uruguay, an agency of the Government of Uruguay engaged in financing economic development.

Subloans to private borrowers in the manufacturing, mining and processing industries in Uruguay will buy American machinery and equipment needed in advancing Uruguay's economy.

The term of subloans made by Banco de la Republica Oriental del Uruguay will be that which is normal for the specific goods in international commerce. It is expected that most subloans will be made to small and medium-sized private firms.

Visitors to France urged to use caution in exchanging money

Traveler's checks can be exported freely, but currencies cannot

Under current French exchange controls, U.S. travelers visiting France may import without limitation French franc banknotes, dollar currency, the currencies of other countries, and traveler's checks issued outside France in dollars or in other non-French currencies and made out in the name of the traveler.

However, while they may export their traveler's checks freely, they may not take out of France more than 200 francs per person in French banknotes nor more than $100 per person in other currencies, including dollar bills.

As a practical matter, no facilities are available in France under the exchange controls whereby U.S. travelers could convert into dollars or other non-French currencies amounts of French francs in excess of the 200 franc limit which a foreign visitor is authorized to export.

The U.S. Embassy in Paris therefore recommends that visitors to France:

- Do not import into France amounts of French franc banknotes in excess of their estimated requirements in France;
- Do not import into France other currencies (including dollar bills) for a total of more than $100 per person;
- Do not convert their traveler's checks into French francs for amounts greater than their estimated requirements in France.

American visitors to France may continue, as in the past, to utilize for expenditures in France credit cards issued in the United States or elsewhere.

An earlier story outlining all of France's recently imposed exchange controls appeared in the Dec. 23 issue of INTERNATIONAL COMMERCE.

Uruguay increases three types of customs duties

The Government of Uruguay has increased three types of customs charges. The action covered an increase in the specific duty of from 3 to 6 pesos per kilogram on items subject to specific duties; an increase in the port handling tax from 30 to 60 pesos per kilogram on all items; and an increase in the laboratory analysis fee of from 500 to 1,000 pesos per 2,000 kilograms on food and raw materials; and from 1,000 to 2,000 pesos per 2,000 kilograms on medicinal and other products.

At the same time import charges were removed on films, photographic paper, and chemical photographic products for use by journalistic enterprises; 950 automobiles for rental cars and taxis, and industrial machinery for the production of fertilizers.

Equipment destined for maintenance of electrical and telephone services is now exempt from the 12% consular fee.

Finland joins OECD

Finland became the 22nd member of the Organization for Economic Cooperation and Development on Jan. 28.

The OECD's chief goals are: to contribute to the expansion of world trade; to aid sound economic development in both member and nonmember countries; and to help achieve the highest levels of growth and employment consonant with financial stability.

The other member nations are Austria, Belgium, Canada, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom and United States.

Indonesia renames capital of province, mountain

The Indonesian Department of Internal Affairs has announced recently that the name of the provincial capital of West Irian has been changed from Sukarnapura to Djayapura. The change was contained in Ministerial Decree No. 25 dated Mar. 8 signed by Minister of Internal Affairs Major General Amir Machmud. The decree also changed the name of the highest mountain in West Irian, until now known as Sukarno Peak, to Puntjak Djaya.

The Ministry announcement said the name changes had been decided upon after recommendations to this effect by the West Irian Consultative Board.

Several countries, World Bank group discuss Ceylon aid

The fifth meeting of the group of countries and institutions interested in assisting Ceylon was held in Paris this month under the chairmanship of the World Bank. The following countries were represented: Australia, Canada, France, Germany, Japan, the United Kingdom and the United States.

Representatives of the International Monetary Fund and the Asian Development Bank and observers from Denmark, India and Italy also attended the meeting.

The group reaffirmed its endorsement of Ceylon's long-term development strategy of encouraging growth in the two most promising sectors of the economy —domestic agriculture and manufacturing—and welcomed the major policy decisions taken toward this end in 1968.

It noted with satisfaction that Ceylon's development efforts, combined with financial assistance from abroad, have begun to bear fruit in accelerating economic growth which in 1968 had reached the highest level in the post-war period. The group voiced its concern over the decline of export earnings for the third consecutive year and agreed that more attention needed to be given to the problems of Ceylon's export industries, particularly the tea industry, which accounts for two-thirds of these earnings.

Fresh commitments by the group in 1968 amounted to $68 million and disbursements to $50 million. These were the highest annual levels reached since the group came into existence in 1965. Disbursements in 1969 (including aid from earlier commitments) are expected to be substantially larger than in 1968.

Several members, including the Asian Development Bank, the International Bank for Reconstruction and Development and the International Development Association, also expect to be able to make substantial commitments for projects in several fields, including irrigation, power and industry.

Several delegations expressed the view that the terms on which assistance is provided should pay due regard to the potential debt servicing problems facing Ceylon.

U.S. licensees offered rights to Australian, European products

Production and distribution in U.S. sought for plastic syringe, packaging machinery, bearings and spring steel bushings

Manufacturers in Australia, Sweden, Portugal, France and Switzerland are seeking U.S. licensees to produce and distribute their products for the U.S. market.

Products offered are a disposable plastic syringe, shrink film packaging, prefabricated swimming pool, clutch release bearing, and special spring steel bushings.

For additional information and the name and address of the firm, **write** the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• An Australian laboratory is seeking a U.S. plastics products manufacturer or a pharmaceutical firm as licensee for its disposable plastic injection device for the veterinarian and medical fields.

This injection device is intended to take the place of a standard syringe, and its nozzle is designed to take a standard hypodermic needle. The dies, which form the device from high and medium density polyethylene, have been engineered so that the ridges, angles, and general design of the device prevent leakage of medicines during long time storage, and allow for simple, one-hand, one-squeeze operation, with no chance of the medicine being sucked back into the dispenser.

The Australian firm has a U.S. patent on the device. **File 1731.**

• A Swedish manufacturer of glass-making and packaging machinery is seeking a U.S. licensee to produce its plastic shrink film packaging machinery for bottles and other cylindrical glass containers, and an automatic package opening device.

The company states the rapid progress in electronics and the explosion-like development in the field of plastics has made it possible for them to manufacture a packaging machine which accepts bottles directly from the annealing lehr of the bottle machine and delivers them packaged in a fully-enveloped container.

The machine requires the service of one worker, and the package has all-welded seams so that no dirt or dust can enter and contaminate the bottles. The company claims that freight costs are lower, there is less breakage, and the bottles are completely visible for inspection at all times. The machinery has been patented in the U.S.

This company is also offering a type of package opening equipment which it has developed. The opening equipment is covered by patents in the U.S. and other Western European countries and patents have also been applied for in several other countries. This equipment can be coupled with filling machinery and the removal of the plastic film wrapping can be performed automatically. **File 1732.**

• A Portuguese architect is offering to a U.S. licensee his prefabricated swimming pool for use in areas where jelly fish, sharks or seaweed is a problem.

This "Seapool" may be defined as a large raft which has in its center a swimming pool with perforated walk and bottom (nylon net) that allows continuous replacement and filtration of the water.

This raft is made up of modules, which are easily assembled, disassembled or stored. It can have various sizes and shapes. The deck is made of waterproof plywood, wholly covered with fiberglass; the surface has an anti-skid compound.

The architect has applied for a U.S. patent for this "Seapool". **File 1733.**

• A French individual is seeking a U.S. licensee to produce a patented clutch release bearing.

This is an annular clutch release bearing adapted to surround a shaft. It is carried on an inner cage which is pivoted to an outer cage by pivot pins which permits the inner cage to slide radially with respect to the outer cage. The outer cage is pivoted to a yoke on pivot means having an axis perpendicular to the axis of said pins. Spring means urge the inner cage to slide to a predetermined position relative to the outer cage.

The inventor claims that due to the design and arrangement of parts, the bearing is not subject to any radial pressure which might cause undesirable friction leading to its premature wear during the operations of engagement and disengagement of the clutch. **File 1734.**

• A Swiss manufacturer of metal bolts and pins is seeking a licensee to produce its special tensile bushings in the United States.

These bushings are made in the form of sleeves from special spring steel. Each bushing, instead of being whole like a small pipe, has a wavy, toothed slit running its entire length. This allows the bushing to compress so that it can be easily pressed or driven into position to serve as a liner or to replace a liner or shell without the walls of the hole being scored.

The Swiss company claims that owing to the longitudinal displacement of the wedge surfaces at the time of fitting, the surface pressure of the prestressed bushing is increased to about twice its value, giving the bushing sufficient holding-power to meet all requirements.

The company states that Switzerland's largest metalworking plants and machine manufacturers use its bushings and pins. **File 1735.**

Dutch manufacturer seeks joint venture

Licensing or joint venture agreements with U.S. manufacturers of technical products requiring a high standard of tooling are sought by a Dutch firm. Of particular interest are U.S. companies with existing European sales organizations which at present or in the near future plan to operate in the Common Market countries.

The Dutch concern specializes in the production of mechanical precision parts for hydraulic, pneumatic and radar equipment. It also manufactures aircraft engine and computer components. The firm maintains modern workshops equipped to handle precision machining and assembling activities.

Write: American Chamber of Commerce in the Netherlands, Laan Van Meerdervoort 55, The Hague, The Netherlands.

U.S. partner wanted for tourist resort

A Singapore entrepreneur, formerly a member of the national parliament, is seeking U.S. collaboration in the development of a tourist resort at Changi beach on the east coast of the island. Plans call for 200 chalets, a restaurant, a night club, a miniature golf course, a marina, a swimming pool and various other facilities for water sports.

A new technique of construction for the chalets is contemplated. Monolithic structures of fiberglass resting on a structural grid, partially futuristic and partially traditional in design, with placement over a "kelong-type" structure of concrete and marine timber over water are proposed. The chalets will be prefabricated of fiberglass ready to be hoisted in order to eliminate the need for the normal on-site equipment and labor thereby reducing construction costs. Since this design and construction technique is new to Singapore, the cooperation of knowledgeable American firms is particularly solicited.

Total cost of the project is estimated at approximately $2.7 million. It is hoped that U.S. collaboration will be in the form of financial assistance, preferably equity, of about 15%. Details of possible participation are subject to negotiation.★

Write: Mme. Seow Peck Leng, 43 Jalan Sapurna, Oei Tiong Ham Park, Singapore 10.

Dominican wants license to manufacture mufflers

A license to produce automobile mufflers and the necessary tail pipe assembly is sought by a well known Dominican firm. **Write:** Casa Nadal, C. por A., 30 de Marzo No. 6, Santo Domingo, Dominican Republic. WTD.

Argentine wants to produce steam traps under license

A medium-sized importer and distributor of machine tools, chain saws and refractory bricks seeks U.S. license to manufacture impulse steam traps. **Write:** Drake Argentina S.R.L., Paseo Colon 476, Buenos Aires, Argentina. WTD.

Licensing agreement sought by Swedish manufacturer

A Swedish structural steel company is interested in manufacturing pre-engineered steel buildings with welded steel frames under license from a U.S. firm.

The steel structures could be of either isolated or unisolated walls but should be capable of withstanding long winter climates.

Write: Mohogs Mekaniska Verkstad AB, Fack, S-85101 Sundsvall 1, Sweden.★ WTD.

Italian company requests licensing arrangements

A license to produce catering and cafeteria equipment is sought by well established Italian manufacturer of household appliances. The firm operates a large plant and employs about 7,000 persons.

Write: Zoppas S.p.A., Grandi Impianti, Conegliano Veneto (Treviso), Italy.

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

U.S. firms invited to develop Uruguayan Black Sand deposits

Contracts to be awarded by ANCAP to interested companies

ANCAP, the autonomous government organization responsible for petroleum refining, alcohol and cement production, is seeking a foreign partner for the exploitation of Uruguayan sand deposits.

These deposits, known as "black sands" or "ilmenitic sands", are thought to contain ilmenite, rutile, zircon, monacite and other minerals which, it is understood, can be transformed into various strategic metals.

The most promising deposit of "black sands" is located on the Atlantic coast of Uruguay at Aguas Dulces, 168 miles northeast of Montevideo, in the Department of Rocha. Approximately three million metric tons of heavy minerals, with an average concentration of 2.5%, are believed to exist in this deposit. An estimated $3 million investment for extraction of the sand and an additional $10 million for processing facilities is envisaged by the government organization.

This approach to development of "black sands" represents a departure from the traditional natural resource development policy of the Government of Uruguay. ANCAP normally undertakes such activities without outside assistance. In this case, the Government of Uruguay has indicated that this project can be shared by one or more foreign enterprises; the type and extent of individual responsibilities would be worked out between company representatives and ANCAP officials.

It is not expected that formal bids will be called for but rather that contracts will be awarded after negotiation between ANCAP and interested foreign firms.

Firms desiring additional information on this opportunity should **write:** Engineer Oscar Ettlin, Dir., Department of Research and Development, ANCAP, Avenida Agraciada, Montevideo, Uruguay.★

Swiss producers desire U.S. licenses

Three Swiss firms are interested in U.S. licenses to produce cosmetics, pharmaceutical preparations, machine tools, metalworking machinery, and electric kitchen appliances. To obtain additional information interested U.S. firms should write directly to the Swiss companies at the addresses listed below.

• A medium sized producer and dealer of specialized cosmetics and pharmaceutical preparations seeks licenses to manufacture all kinds of special and newly developed cosmetics and pharmaceutical preparations.

Write: Girol, Pharmazeutisches Laboratorium, Helenastrasse 4/Korneliusstrasse 9, 8034 Zurich, Switzerland. WTD.

• Licenses to manufacture newly developed types of medium sized machine tools and metalworking machinery are sought by a Swiss producer of equipment for the metalworking industry. The company maintains modern production facilities.

Write: Prematex SA, 31 rue de Lausanne, 1110 Morges, Switzerland. WTD.

• Licenses to produce small and medium sized electric kitchen appliances for household use are sought by a Swiss manufacturer.

The firm which employs 65 persons is especially interested in newly developed products. It currently specializes in the manufacture of grills, frying pans, and similar products.

Write: Melior SA, Rue Neuve 5-7, 1020 Renens-Lausanne, Switzerland. WTD.

French firm seeks licenses for electronic equipment

Licenses to manufacture electronic equipment for water treatment or the detection of temperature and pressure variation and fire, fumes and impurities are sought by a French concern.

Currently, the firm produces gas detection devices for the French Navy, shipyards, petroleum companies and other organizations. It exports to a number of countries including Germany, Spain, Norway, Italy and Great Britain.

Write: Societe Icare, 128 Ave. du Prado, 13-Marseille, 8eme, France.* WTD.

Netherlands firm loses right to U.S. exports

Cepeha Handelmaatschappij N.V., of Rotterdam, The Netherlands, has been denied access to U.S. exports until November 1973.

The U.S. Department of Commerce's Bureau of International Commerce (BIC) said the action was taken against the firm as a related party to Petrus J. Rombouts, also of Rotterdam, against whom a denial order was entered last November.

According to information obtained by BIC, Rombouts is manager of the Cepeha firm. In this capacity he could use the firm to evade the restrictions of the denial order against him. BIC considered it necessary to apply the restrictions of the denial order to the firm.

All outstanding export licenses in which the Cepeha firm has an interest have been revoked, and the firm, its agents and employees are prohibited from participating in any transactions involving commodities or technical data exported or to be exported from the United States..

The U.S. export regulations provide that without authorization from the Department of Commerce, no party may trade in commodities or technical data exported from the United States with a party he knows has been restricted from dealing in U.S. exports.

Licenses in housing field sought by Taiwan firm

A Taiwan company contemplating entering the construction field is seeking a license for the prefabrication of concrete houses.

Machinery, equipment and know-how are sought from the American collaborator.

Write: TICO Industrial Co., Ltd., 67 Section 2, Hsin Sheng South Road, Taipei, Taiwan. WTD.

Turkish producer wants to make air compressors

A Turkish pump and compressor manufacturer seeks licenses to produce rotary and reciprocating air compressors with a maximum unit weight of 1100 lbs. The manager of the company is a U.S. educated mechanical engineer.

Write: Mr. Melih Gursoy, Maksas Makina Sanayii A.S., Cumhuriyet Bulvari No. 88, Izmir, Turkey. WTD.

U.S. ties sought by German companies

Two German firms request licenses; one wants to produce punches and pins and one seeks to make newly developed metal and plastic storage fixtures and apparatus.

• A German producer of piercing punches, pull-through punches, round locating pins, square punches, precision dowel pins, ejector pins and measuring pins seeks manufacturing licenses for new American developments in this field.

The German company also manufactures calibration pins, precision perforating pins, punch and ejectors for screw production and axles, and a fairly complete line of needles.

Write: P-69498, Mr. Rudolf Klotzbucher, German American Chamber of Commerce, 666 Fifth Ave., New York, N.Y. 10019.

• Licenses for newly developed metal and plastic storage fixtures and apparatus are sought by a well established German manufacturer already active in this field.

The German producer currently manufactures metal shelving, plastic containers, metal storage tanks, metal pallets and filling frames for metal pallets. The firm employs 71 persons and has well equipped facility with metal stamping, pressing, drawing, and plastic processing machinery.

Write: Mr. F. A. Bittmann, Mgr., Leopold Bittmann, 6582 Fischbach-Weierbach, Postfach 54, Germany. WTD.

Australian wants to broaden activities

Licenses to manufacture door bells, electric chimes, swimming pool equipment, garden tools and newly developed products in the building hardware and household field are sought by an Australian company.

Of particular interest are products suitable for quantity production and requiring a moderate degree of tooling. The firm's product line includes fabricated steel gates, lawn edgers, fertilizer spreaders and hand operated disc hoes.

Write: Mr. Frank E. Rule, official representative, New South Wales Centre, 680 Fifth Ave., New York, N.Y. 10019. Ref. No. D-8867.

World Trade Opportunities

Argentina to build water treatment plant

The Argentine National Waterworks Department is inviting bids for the construction of the "El Cadillal" treatment plant for potable water in the city of San Miguel de Tucuman, Argentina. The official budget for this project, which is to be financed by the Inter-American Development Bank, is over $1.5 million.

The deadline for receipt of bids is 3:30 p.m., June 2.

Copies of the conditions and technical specifications in Spanish may be obtained from Obras Sanitarias de la Nacion, Licitacion Publica "El Cadillal," Marcelo T. de Alvear 1840, Buenos Aires, Argentina, for $68.40 by asking for Expediente 13.182-LP-1968.

Correspondence is preferred in Spanish.

A set of the conditions and specifications in Spanish are available for review by interested U.S. firms in the office of the Water Resources and Engineering Services Division, Room 4111, U.S. Department of Commerce, Washington, D.C. 20230.★

India issues tenders on communication needs

The Directorate General of Supplies and Disposals New Delhi, has issued Tender No. ES-4/220/34/495, for the supply of frequency shift converters and walkie talkies. Bid deadline is Apr. 30.

Bid should offer three transistorized frequency shift converters, and four sets of single channel CB walkie talkies with a power output of five watts, and suitable for operation under tropical conditions.

Copies of tender announcement and specifications are available for $1 from the India Supply Mission, 2536 Mass. Ave., NW., Washington, D.C. 20008, or on a short-term loan basis to firms located in the U.S. from the Electronics Division, BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4823).

Spain calls for bids on highway construction

The Government of Spain has announced that bids are being invited for the construction, maintenance, and operation of a toll highway. The projected highway will link the city of Sevilla with the Atlantic Port of Sevilla, a distance of approximately 150 kilometers.

Bid deadline is May 30.

Copies of the terms and conditions of the contract (in Spanish) are available from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602).

Netherlands announces plans to purchase radar equipment for Curacao, Aruba airports

The Consulate General has been informed that the NAG Civil Aviation Service is to be given ground control radar for the Curacao and Aruba airports and that when tenders are released some time this year. U.S. firms will be able to bid.

Financing will be through the Dutch aid program to the Netherlands Antilles, which, the post has been given to understand, gives preference to Dutch firms only if bids for the same goods or services are equal.

Tenders are to be issued on the following equipment:

One TMA radar (terminal area radar, surveillance); One VOR DME (very high frequency omni range distance measurement equipment), and two VHF-DF (very high frequency direction finders), one each for Curacao and Aruba airports.

American firms interested in greater detail should communicate directly with Ir. Randolph Statius van Eps, Central Welfare Bureau, Ansinghstraat 1, Curacao, Netherlands Antilles. That bureau is charged with the implementation of aid projects in the Netherlands Antilles.

The total cost of these items was said to be about $800,000.

Equipment bids sought for Malaysian hospital

The Director of Medical Services, Sarawak, invites bids for equipping the New Sarawak General Hospital in Kuching with supplies of 557 items, approximately one-half of them surgical, in various quantities, and covering the following broad schedule categories: linen, X-ray equipment; surgical instruments; ward equipment; clinic equipment; miscellaneous equipment; anaesthetic equipment and stores; ophthalmic equipment and accessories; locally made equipment and furniture; domestic and kitchen equipment.

The bid deadline is July 23.

Bids may be submitted in part or in whole, covering one or more schedules, to: The Chairman, Federal Divisional Tenders Board, Resident's Office, Kuching, Sarawak, Malaysia.

Specifications are available on a loan basis to firms located in the U.S. from the Scientific & Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-2939).

Ireland calls for bids to supply steel structures

The Electricity Supply Board, a Government of Ireland-sponsored body responsible for the development and production of electricity in that country, is inviting tenders for the supply, delivery to site, erection, testing and maintenance until the end of the guarantee period all of the following: pressure tunnel lining and manifold system; anti-corrosion treatment of the pressure tunnel lining and manifold system; steel structures for the upper reservoir cylinder gate; and steel structures for the tailrace outlet at the lower reservoir, in accordance with "Specification for lot 6", for the Turlough Hill pumped storage scheme. The contract is financed in part through a loan from the International Bank for Reconstruction and Development. Bid deadline is May 7.

A limited number of copies of the tender specifications are available on a loan basis from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602). Copies may also be obtained from the Chief Projects Engineer, Electricity Supply Board, 27 Lower Fitzwilliam St., Dublin 2, Ireland.

Panama requests bids on toll road construction

Panama's Ministry of Public Works has issued tenders for the construction of a divided, four-lane highway between the towns of Arraijan and Chorrera in Panama Province, a distance of approximately 22.1 kilometers. This superhighway is to be a toll road designed to follow the coast and open up new beach areas to tourists. The total cost of the project is estimated at about $12 million.

This licitation is subject to the provisions of Panama's Fiscal Code which, among other requirements, limits the submission of bids to Panamanian firms or Panamanian firms acting in association with foreign companies. U.S. firms must, accordingly, have their bids submitted by a Panamanian representative.

Bid deadline is April 11.

Preliminary data on the project may be obtained from the Inter-American Highway Office, Via Espana No. 16, Panama, R.P.

Plans and specifications may be obtained from the same office for a deposit of $100. Of this sum, 80% will be returned provided the documents are returned in good condition.

Argentina sewage project needs construction bids

The Municipal Housing Committee of the City of Buenos Aires is inviting bids for the construction of a sewage elevating station at Parque Almirante Brown in the city of Buenos Aires. The official budget for this project, which is to be financed by the Inter-American Development Bank, is 64,382,476 Argentine pesos ($183,950).

Deadline for submittal of bids is Apr. 17.

Copies of conditions and technical specifications may be obtained for 5,000 Argentine pesos ($14.29) from Comision Municipal de la Vivienda, Division Contrataciones y Suministros, Carlos Pellegrini 211, Piso 7°, Buenos Aires, by asking for Public Tender (Licitacion Publica) 28/68.

World Trade Opportunities Continued through page 39

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

201 Meat products

GERMANY—Edible tallow. Direct purchase and agency. Cumbres Handelsgesellschaft m.b.H. (importer, exporter), 6 Frankfurt/Main, Eschersheimer Landstr. 18. WTD 3/69.

203 Canning, preserving foods

AUSTRALIA—Foodstuffs; canned, frozen. Bernard Cohen (agent, importer, wholesaler), G.P.O. Box 1739, Sydney, N.S.W. 2001. WTD 3/68.

204 Grain mill products

BOLIVIA—High quality white wheat flour. Sociedad Minera Comercial Limitada (SOMCO Ltda) (import-export house), Casilla (P.O. Box) 932, La Paz. Attn: Mr. Mario Soliz B., Mgr. for Imports & Sales. Cable: SOMCO, La Paz.

MALAWI—Pre-packed wheatflour for supermarkets. Price list, labels requested. Blantyre Co-operative Society Ltd. (supermarket), P.O. Box 519, Blantyre. WTD 9/68.

PORTUGAL—Approximately 200 metric tons of long-grain rice, immediate shipment. Santos Mendonca, Lda. (agent, distributor, importer), 605-2° Dto. Rua de Sa da Bandeira, Oporto. WTD in preparation.

205 Bakery Products

MALAWI—Cookies and crackers for cheese, salted snacks, other related items. Price lists, sample labels requested. Blantyre Co-operative Society Ltd. (supermarket), P.O. Box 519, Blantyre. WTD 9/68.

208 Beverage industries

MALAWI—Liquors, wines; popular American brands. Price lists requested. Blantyre Co-operative Society Ltd. (supermarket), P.O. Box 519, Blantyre. WTD 9/68.

209 Food preparations

GERMANY—Vegetable oils, oil cakes, meals, inedible tallow. Direct purchase and agency. Cumbres Handelsgesellschaft mbH (importer, exporter), 6 Frankfurt/Main, Eschersheimer Landstr. 18. WTD 3/69.

Low carbohydrate, low caloried foodstuffs; beverages, foods, canned products. Hydiko Handelsgesellschaft mbH (distributor), 78 Freiburg, Carl-Kistner-Strasse 58. WTD 9/68.

221 Broad woven fabric mills, cotton

SWEDEN—Cotton fabrics for women's dresses, blouses, housecoats. Rudbergs Fabriks AB (manufacturer), Eriksgatan 5, S-521 00 Falkoping. WTD 2/69.

222 Broad woven fabric mills, manmade fiber, silk

SWEDEN—Manmade fiber fabrics for women's dresses, blouses, housecoats. Rudbergs Fabriks AB (manufacturer), Eriksgatan 5, S-521 00 Falkoping. WTD 2/69.

228 Yarn, thread mills, products

NETHERLANDS—Synthetic yarns such as nylon filament yarn, polyester yarns, all sort of textured yarns; synthetic fibers such as nylon, polyester, acrylic fiber in form of staple, tow and tops. Large quantities required mainly for export to the Common Market countries, South America, India, Pakistan, other Far East countries. Synthetic Yarn Co. N.V. (importer, exporter, wholesaler), 128 Stadhouderskade, Amsterdam. Attn: Mr. H. M. Nieuwenhuis. WTD 6/68.

251 Household furniture

FRENCH WEST INDIES—Plastic or metal children's rocking chairs, chaise lounges. Requests replies in French. Nithala, Henry (importer), 27 Rue Barbes, Pointe-a-Pitre, Guadeloupe. WTD 2/69.

254 Partitions, shelving, lockers, office, store fixtures

GERMANY—Metal and plastic store fixtures, shelving, storage racks, pallet racks, other storage equipment. Direct purchase and agency for European common market, EFTA countries. Leopold Bittmann (manufacturer, distributor), 6582 Fischbach-Weierbach, Postfach 54. WTD 3/69.

MALAWI—Metal shelving for supermarket display (gondola type). Illustrated catalogs, price lists requested. Blantyre Co-operative Society Ltd. (supermarket), P.O. Box 519, Blantyre. WTD 9/68.

263 Paperboard mills, products

● **IRAN**—Iranian Tobacco Co. requires 100 tons of triplex board in sheets. One side to be glazed and one side white. Substance to be 270-

280 grams/m²; thickness 0.30-0.32 mm. and grain to run lengthwise. Tonnage to be divided equally between 43 x 63 centimeters and 46 x 54 centimeters sheet sizes. Bid deadline May 12. Copies of the tender announcement with specifications and conditions are available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3530).

264 Converted paper, paperboard products

SWEDEN—Office, school supplies. Agency and direct purchase. Affarssystem, AB (manufacturer, agent, importer), Scheelegatan 7, S-212 28 Malmo. WTD 3/69.

281 Industrial chemicals

PAKISTAN—Laboratory chemicals. Malik Mohammad Rafique & Sons (importer), 36 Nazuli St., Mozang, Lahore. WTD 3/68.

282 Synthetic materials

GERMANY—Polypropylen granulates. Artur Langer, Kunststoffwaren-Fabrik K.G. (manufacturer), 6453 Seligenstadt, Wilh. Leuschnerstr. 14. WTD 3/69.

287 Agricultural chemicals

ANGOLA—Fertilizers, other agricultural chemicals. Requests replies from manufacturers only. Payment facilities desired. Cooperativa Agro-Pecuaria da Ganda (agricultural cooperative), P.O. Box 144, Vila Mariano Machado. WTD 3/69.

● **BOLIVIA**—Fertilizers: Urea, 210 to 1,170 tons, 46% N, maximum 1% biuret; ammonium phosphate, 280 to 1,540 tons, 13-39-0, minimum 90% water soluble phosphate; and mixed fertilizer, 170 to 950 tons, 15-15-15, minimum 80% water-soluble phosphate. Data on ingredients in 15-15-15 required. Quotations or other types (e.g. ammonium nitrate, 18-46-0, 14-14-14) may also be made. All fertilizers must meet Tyler Screen Analysis specifications. Delivery by July 1.

Quotations should be c.i.f. Antofagasta or Arica and f.o.b. rail Sao Paulo or Buenos Aires. Credit necessary without bank guarantee. First six months interest free. Packaging in 50 kilo polyethylene-lined jute sacks. Samples of sack material and individual fertilizers must be submitted with bid. Tender number 18/69, bid deadline Apr. 1, foreign bids accepted until Apr. 10 if post marked by Apr. 1. Address YPFB, Division De Adquisiciones, Casilla 401, La Paz.

Bids must be sealed and on appropriate legal paper with currently required Bolivian Seals.

Copies of specifications expected. Chemicals Division, BDSA-665, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3465).

289 Chemical products

SWEDEN—Silicone construction sealant. Agency and direct purchase. Janssons Glasmasteri AB (wholesaler, agent), Sprangkullsgatan 19B, S-411 23 Goteborg. WTD 1/68.

307 Plastics products

GERMANY—Plastic products for electrical, chemical industries. Direct purchase and agency. Frankfurter Aussenhandel GmbH (agent, importer), 6000 Frankfurt/Main 90, Postfach 900369. WTD 3/69.

311 Steel Mill Products

● **CEYLON**—Galvanized iron plain sheets, 13,150 pieces of various sizes; galvanized iron corrugated sheets, 1,500 pieces of various sizes. "Tender for the supply of G.I. plain and corrugated sheets;" bid deadline May 28. Ceylon Transport Board, Colombo. Copies of tender documents available from Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230★ (Telephone: 202-967-2364).

325 Structural clay products

NETHERLANDS—Ceramic specialties such as tiles, sheets, strips, etc. in relief or otherwise decorated. Ciboma N.V. Centrale Inkoop van Bouwmaterialen (sales agent, importer, exporter), 69 Hobbemastraat, Amersfoort. Attn: Mr. H. B. Eekhof. WTD 8/68.

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- Your catalog or other appropriate literature.

331 Steel mill products

MALAWI—Steel nails; corrugated, flat, iron sheeting for roofing. Quotes in £ sterling, c.i.f. Beira requested. Gateway Distributors Ltd. (Hardware Branch) (retailer), Haile Selassie Rd., P.O. Box 559, Blantyre. WTD 10/68.

342 Cutlery, hand tools, general hardware

NETHERLANDS—Hand tools for automotive, metalworking industries, including mechanic's hand tools and power tools. Direct purchase and exclusive representation for Netherlands and/or other Benelux countries. W. F. Harrems N.V. (sales agent, importer, exporter), 257 Kerkstraat, Amsterdam. Attn: Mr. E. v. d. Lubbe. WTD 4/68.

344 Fabricated structural metal products

GERMANY—Architectural metal work of all types, including grating, grilles, mats, mattings. Bima-Hans Bieg (manufacturer, exporter), 68 Mannheim-Neckarau, Postfach 103. WTD 8/68.

345 Screw machine products

NETHERLANDS—Fastening devices such as bolts, nuts, cotter pins, washers, other related items. Direct purchase and exclusive representation for Netherlands and/or other Benelux countries. W. F. Harrems N.V. (sales agent, importer, exporter), 257 Kerkstraat, Amsterdam. Attn: Mr. E. v. d. Lubbe. WTD 4/68.

348 Fabricated wire products

MALAWI—Fencing: chicken and other, galvanized, plain, and barbed wire; 50 lb. rolls, 12½, 13½ gauges. Quotes in £ sterling, c.i.f. Beira requested. Gateway Distributors Ltd., (Hardware Branch) (retailer), Haile Selassie Rd., P.O. Box 559, Blantyre. WTD 10/68.

349 Fabricated metal products

IRAN—Equipment for overhead irrigation. Sherkat Sahami Jomir (importer), 43-45 Ave. Sevom Esfand, Tehran. WTD 2/69.

354 Metalworking machinery

GERMANY—Small cutting tools, other attachments, accessories for machine tools, metalworking machinery. Direct purchase and agency. Frankfurter Aussenhandel GmbH (agent, importer), 6000 Frankfurt am Main 90, Postfach 900369. WTD 3/69.

Newly developed types of automotive maintenance equipment. Direct purchase and agency. Arthur Tuerke GmbH (manufacturer, importer, agent, wholesaler), 6200 Wiesbaden, Hasengartenstrasse 7. WTD 3/69.

NETHERLANDS—Small garage equipment. Direct purchase and exclusive representation for Netherlands, other Benelux countries. W. F. Harrems N.V. (sales agent, importer, exporter), 257 Kerkstraat, Amsterdam. Attn: Mr. E. v. d. Lubbe. WTD 4/68.

● **PAKISTAN**—Supply of workshop machinery, including: 7½" capstan lathe, oil engine driven a.c. alternator set, two 230 volt-10 kw. motor alternator sets, three electric lifts, 15 cut pneumatic power hammer, five 2-stage air compressors, sixteen 100-ton hydraulic screw jacks, and a double cycle trolley. Tender No. PR-1/68/PMP/18, bid deadline Apr. 9.

● Supply of 15 rail sawing machines, 500 saw blades, and a creosoting plant capable of handling 1500 B.G. sleepers (9′ x 10″ x 5″) per 8-hr. shift. Tender No. PR-I-/69/TR/2, bid deadline Apr. 11.

Secretary, Railway Board, Government of West Pakistan, PWR Headquarters, (Room No. 19, Ground Floor), Empress Road, Lahore,★ (Telephone 202 967-5652).

SPAIN—Machine tools, metalworking machinery in general. Demag, Equipos Industriales, S.A. (manufacturer, importer, whole-

saler), Apartado Postal 14.667, Madrid. WTD 3/69.

355 Special industry machinery

FRANCE—Flour-mill machinery, equipment, accessories for industrial bakeries, such as fluidizing systems for bulk car loading and fluid lifts for flour chamber; tube and flexible screw extractor for flour chamber; pneumatic conveyors, related lines, primarily up-to-date machines, accessories. Catalogs, price lists requested, preferably direct from manufacturers. Direct purchase and agency. Deyres (Ets. Claude) (manufacturer), 311 Cours de la Somme; 33- Bordeaux, Gironde. WTD 2/69.

SWITZERLAND—Machinery, equipment for food, chemical industries. Direct purchase and agency. Technosa SA (importer, distributor), Chemin du Cap 3, 1006 Lausanne. WTD 1/68.

356 General industrial machinery

IRAN—Packaging, wrapping machinery, box, case, carton, lining, closing, sealing machines. Iran-Behdasht Co., Ltd. (importer), 118-122 Takhte-Jamshid Ave., Tehran. WTD 1/69.

357 Office, computing, accounting machines

● **IRAN**—Supply of four weighbridges for weighing truck and trailer, platform type with dimensions 3 x 14 meters, steel construction, weighing capacity 50 tons. Bid deadline May 14. Requested by Iranian Tobacco Company, Tehran. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

SWEDEN—Trading devices, audio visual, electronic and related. Agency and direct purchase. Affarssystem, AB (manufacturer, agent, importer), Scheelegatan 7, S-212 28 Malmo. WTD 3/69.

358 Service industry machines

GERMANY—Hotel, restaurant, cafeteria refrigeration, food warming equipment; especially novelties. Direct purchase and/or agency. IVO Industrieprodukte Verkaufsorganisation GmbH (distributor, importer, agent), 8000 Muenchen 13, Taunusstrasse 38. WTD 2/69.

JAPAN—Commercial dishwashing machines. Direct purchase and agency. Matsushita Electric Trading Co., Ltd. (exporter, importer), 71 Kawara-machi 5-chome, Higashi-ku, Osaka. WTD in preparation.

PORTUGAL—Coin operated machines, automatic, for sale of coffee, cigarettes, ice cream; ice making machines. Direct purchase and agency. Tosfil, Import, Export, Lda. (importer, sales agent), Avenida de Roma 15-1°, Esq., Lisbon. WTD 5/68.

361 Electric transmission, distribution equipment

● **ARGENTINA**—Supply 500 three phase automatic double break 3x380 V. Connectors. Tender No. 2950. Bid deadline Apr. 14.

Specifications available for approximately $15 from SEGBA, Balcarce 184, Room 443, Buenos Aires.

KOREA—Switchgear, switchboard apparatus, oil circuit breakers. Direct purchase and agency. Ilsung Industrial Co. (sales agent), I.P.O. Box 1929, Seoul. WTD in preparation.

366 Communications equipment

● **TURKEY**—Supply of three sets of radio link telegraphy multiplexing equipment and two sets voice frequency telegraphy equipment. Bid deadline is Apr. 21. Copy of bid document, consisting of conditions in Turkish and technical specifications in English, may be obtained for $14 from General Directorate of Post, Telephone and Telegraph, Ankara.

371 Motor vehicles, motor vehicle equipment

NETHERLANDS—Automotive accessories. Direct purchase, exclusive representation for Netherlands and/or other Benelux countries. W. F. Harrems N.V. (sales agent, importer, exporter), 257 Kerkstraat, Amsterdam. Attn: Mr. E. v. d. Lubbe. WTD 4/68.

375 Motorcycles, bicycles, parts

IRAN—Motorcycles, bicycles, motorbikes, scooters, parts. Sherkat Sahami Jomir (importer), 43-45 Sevom Esfand Avenue, Tehran. WTD 2/69.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

Information and advice is available from these offices on: foreign markets for U.S. products and services, economic facts on foreign countries, firms with marketing facilities in foreign countries, trade and investment opportunities abroad, Government financing aid to exporters, foreign exchange regulations and procedures, export and import statistics.

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3002 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, OREG., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

384 Surgical, medical, dental instruments

IRAN—Surgical, medical, orthopedic instruments, apparatus. Iran-Behdasht Co. (importer), 118-122 Takhte-Jamshid Ave., Tehran. WTD 1/69.

PORTUGAL—Electronic larynx. Direct purchase and agency. Casa Sonotone (importer, retailer), Poco do Borratem 33 s/1, Lisboa 2. WTD in preparation.

394 Toys, amusements, sporting goods

SWEDEN—Moderate size toys; fancy packaging not desired. AB Alga (manufacturer, agent, importer), P.O. Box 18, S-280 22 Vittsjo. WTD 3/69.

395 Pens, pencils, office, artists' materials

SWEDEN—Office, drafting materials. Agency and direct purchase. Affarssystem, AB (manufacturer, agent, importer), Scheelegatan 7, S-212 28 Malmo. WTD 3/69.

399 Manufacturing industries

AUSTRALIA—General merchandise lines of goods suitable for sale in chain, department stores. Bernard Cohen (agent, importer, wholesaler), G.P.O. Box 1739, Sydney, N.S.W. 2001. WTD 3/68.

FRENCH WEST INDIES—Straw or vegetable fiber folding automobile cushions. Requests replies in French. Nithala, Henry (importer, retailer), 27 rue Barbes, Pointe-a-Pitre, Guadeloupe. WTD 2/69.

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"Introductory Guide to Exporting," published April 1968 by U.S. Department of Commerce

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

221 Broad woven fabric mills, cotton

NEW ZEALAND—Broad woven textiles, flat bed weave, textured patterns for use in manufacture of demountable partition walls, wall board. Sole agency. Mr. R. K. Monson, Sales Mgr., Guthrie Bowron Ltd. (importer), P.O. Box 10060, Balmoral, Auckland 4. WTD in preparation.

222 Broad woven fabric mills, manmade fiber, silk

NEW ZEALAND—Raised pile moquettes, flat bed weave, of continuous filament polypropylene olefin or allied fibers. Sole agency.

Firms interested in additional information should contact Mr. R. K. Monson, Sales Mgr., Guthrie Bowron Ltd. (importer), P.O. Box 10060, Balmoral, Auckland 4. WTD in preparation.

242 Sawmills, planing mills

ITALY—Sawn Douglas fir, hemlock, pitchpine, walnut logs. Rag. Gianfranco Sforza (representative), Via Privata C. Debussy 9, 20147 Milano. WTD 2/69.

264 Converted paper, paperboard products

SWITZERLAND—Packaging materials, shipping room supplies. Emballeur Karl Weber AG (importer, distributor), Austrasse 15, 8045 Zurich. WTD 2/69.

281 Industrial chemicals

SWITZERLAND—Inorganic, organic raw chemicals, pigments for manufacture of paints. Hans Trauffer AG (agent, distributor), Gustrasse 15a, 8700 Kusnacht. WTD in preparation.

282 Synthetic materials

SWITZERLAND—Synthetic resins, similar products for in and outside treatment of food cans; synthetic resins or finished agents for manufacture of abrasion resistant colors for offset printing of packaging materials. Dr. A. Landolt AG (manufacturer), Farbenfabriken, Untere Bruhlstrasse, 4800 Zofingen. WTD in preparation.

VENEZUELA—Synthetic resins (plastic). General de Importaciones y Exportaciones, C.A. "GENIMEX" (importer, distributor, sales agent), Apartado No. 10216 (Sabana Grande), Caracas, 1a Calle Industrial de Catia No. 24, Caracas. WTD 2/69.

283 Drugs

SWITZERLAND—Pharmaceutical preparations which can be sold without prescription; similar products to be filled into aerosol packs. Spray Pak G.m.b.H. (agent, manufacturer), Industriestrasse, 8910 Affoltern a.A. WTD in preparation.

Raw chemicals for preparation of pharmaceuticals. Hans Trauffer AG (agent, distributor), Gustrasse 15a, 8700 Kusnacht. WTD in preparation.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

SWITZERLAND—Cosmetics, toilet, cleaning preparations; similar products to be filled into aerosol packs. Spray Pak G.m.b.H. (agent, manufacturer), Industriestrasse, 8910 Affoltern aA. WTD in preparation.

307 Plastic Products

SWITZERLAND—Different kinds of plastic packing materials, especially in form of boxes, made from rigid foam; insulation and cushion materials made of foamed plastic; plastic doors for buildings; containers; novelties. Keller & Co. AG (agent, manufacturer), 5313 Klingnau AG. WTD 1/69.

342 Cutlery, hand tools, general hardware

SWITZERLAND—All kinds of metalworking hand tools. Industrie-Bedarf AG (agent, importer), Glattalstrasse 138, 8050 Zurich. WTD in preparation.

352 Farm machinery

ISRAEL—Agricultural machinery of all types. Sole distribution. Ledico Ltd., Electric Diesel Co. (importer, distributor, agent), 119 Allenby Road, P.O. Box 1699, Tel Aviv. WTD 3/69.

353 Construction, mining, materials handling machinery, equipment

NEW ZEALAND—Materials handling equipment associated with logging, sawmilling, timber processing. Sole agency. Mr. Ian W. G. Phillips, N.Z. Mgr., Gilbert Lodge & Co. Ltd. (importer), P.O. Box 12-063, Penrose, Auckland 6. WTD in preparation.

354 Metalworking machinery

SWITZERLAND—Metalworking power driven hand tools; newly developed similar products. Industrie-Bedarf AG (agent, importer), Glattalstrasse 138, 8050 Zurich. WTD in preparation.

355 Special industry machinery

GERMANY—All kinds of food packaging, wrapping, filling, closing machinery, parts thereof; chemical manufacturing industries machinery, equipment; plastic processing machinery. Horst Schoor (sales agent), 6381 Arnoldshain/Ts. Grabenwiesenweg 19. WTD 3/69.

ISRAEL—Packing machinery, equipment (blister and skin packing; shrink packing; aerosol contract fillers; general contract packing, sealing, labeling). Exclusive representation. Packaging Kaufman Ltd. (importer, agent, distributor), P.O. Box 412, Tel Aviv. WTD 1/68.

ITALY—Advanced equipment to process grapes, apples. Giovannoni Ranzani & Co. S.p.A. (manufacturer), Via Lazzaretto 15, 20124 Milano. WTD 2/69.

NEW ZEALAND—Logging, sawmilling, timber processing machinery, wood pulp, paper

making machinery. Sole agency. Mr. Ian W. G. Phillips, N.Z. Mgr., Gilbert Lodge & Co. Ltd. (importer), P.O. Box 12-063, Penrose, Auckland 6. WTD in preparation.

SWITZERLAND—All equipment, apparatus for chemical processing industries. American Retreading Machines (agent), Haldenstrasse 33, 6000 Lucerne. WTD in preparation.

356 General industrial machinery

NORWAY—Fire fighting apparatus and pumps of all types for ships. Marstrander Shipservice A/S (distributor, ship repairing engineers), Munkedamsveien 53B, Oslo 1. WTD 2/69.

361 Electric transmission, distribution equipment

ARGENTINA—Industrial electrical and/or electronic controls; complete automatic or semi-automatic equipment for process controls; flow indicators; flow controls; wet and dry bulb distance type hygrometer recording instruments; temperature recording bulb distance type instruments; fittings for high pressure compressed air; controls of all types. Establecimiento Metalurgico Sarandi S.A. (industrial installations), c/o O. S. Kowalik, Colonia 155, Buenos Aires. WTD in preparation.

SWITZERLAND—Electronic measuring, testing equipment for industrial application. Heberlein & Co. AG, Trading Div. (agent, importer), 9630 Wattwil. WTD 1/68.

363 Household appliances

SWITZERLAND—Small and medium size electric kitchen appliances (220 v., 50 cy. only) for household use only. Melior SA, Fabrique d'Appareils Menagers (manufacturer), Rue Neuve 5-7, 1020 Renens-Lausanne. WTD 2/69.

369 Electrical machinery, equipment, supplies

SWITZERLAND—Electronic apparatus, related equipment for medical application. Heberlein & Co. AG (agent, importer), Trading Div., 9630 Wattwil. WTD 1/68.

371 Motor vehicles, motor vehicle equipment

CHILE—Motor vehicle parts, accessories. Oscar Willemsen (gasoline station), Colon #701, Casilla (P.O.B.) 682-A, Punta Arenas. WTD 2/69.

ENGLAND—Automotive accessory products. Sole distribution with possibility of manufacturing under license. Hills (Patents) Ltd. (manufacturer, distributor), Hills House, London Road, Staines, Middlesex, England. WTD 7/68.

381 Engineering, laboratory, scientific, research instruments

SWITZERLAND—Laboratory, related research, measuring instruments. Amercian Retreading Machines (agent), Haldenstrasse 33, 6000 Lucerne. WTD in preparation.

Laboratory equipment, instruments; in particular for microbiology.

Interested firms should contact Tecnorama AG (importer, distributor), Rieterstrasse 48, 8002 Zurich, Switzerland. WTD 2/69.

382 Instruments for measuring, controlling, indicating physical characteristics

ENGLAND—Temperature controllers. Ether Ltd. (manufacturer), Caxton Way, Stevenage, Hertfordshire. WTD 2/69.

Industrial electronic measuring, control equipment and electronic test gear. Interested at later date manufacturing under license.

Dawe Instruments Limited (manufacturer), Concord Road, Western Avenue, Acton, London W.3, England. WTD 2/69.

SWITZERLAND—Newly developed mechanical, physical measuring, testing apparatus, equipment for chemical processing industries. American Retreading Machines (agent), Haldenstrasse 33, 6000 Lucerne. WTD in preparation.

395 Pens, pencils, office, artists' materials

SWITZERLAND—Shipping room supplies, marking devices. Emballeur Karl Weber AG (importer, distributor), Austrasse 15, 8045 Zurich. WTD 2/69.

399 Manufacturing industries

NORWAY—Fire extinguishers, portable, for use on ships.

Firms interested in this opportunity should write: Marstrander Shipservice A/S (distributor, ship repairing engineers), Munkedamsveien 53B, Oslo 1. WTD 2/69.

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—V. J. Borland, Export Manager, Quaker State Oil Refining Corp.

Leads for Importers

Commodities are offered direct unless specified

091 Miscellaneous marine products

FRANCE—Gelidium (algae), dried, packed in 100-kilogram jute bales; agar-agar packed in 50-kilogram wooden casks. Wholesale exportation, preferably direct to producers of bacteriological products. Julia (Ets.) (exporter, wholesaler), 29 Rue des Deportes; B.P. 22; 64- Hendaye, Basses-Pyrenees. WTD 3/69.

201 Meat products

FRANCE—Sausage casings packed in small- or large-size casks (sheep, beef, hog casings, raw, others), available in different sizes (20 to 100 yards). Wholesale exportation, direct or through agents. Boyauderie du Poitou (Ets. Victor Bonneau) (processor, wholesaler, exporter), Route de Paris; 86- Poitiers, Vienne. WTD 2/69.

204 Grain mill products

UGANDA—Tapioca starch: white color, 92%; moisture 12%; specks 9-10dm²; odor, nil. Minimum of 500 metric tons annually. Lango Development Co. Ltd. (Investment Mgmt. Div.), Uganda Development Corp. Ltd. (government agency), P.O. Box 442, Kampala.

208 Beverage industries

FRANCE—Liqueurs, cordials, flavored syrups in glass-bottles, fancy and others, such as: "Eau de Noix Serres" (a 60-proof liqueur made with alcohol, sugar, and fresh shelled walnuts); "Violette Benoit Serres" (80-proof liqueur); "Vraie Prune" (84-proof old brandy). Wholesale exportation, preferably through well-established importers. Serres (Liqueurs Benoit) (producer, wholesaler, exporter), 46 Rue Achille Viadieu; 31- Toulouse 04, Haute-Garonne. WTD 6/68.

331 Steel mill products

NIGERIA—Scrap iron. S. O. Eyuwoko Commercial Agency (exporter), 25 Boyo Road, Sapele. WTD 11/68.

352 Farm machinery

SWEDEN—Water sprinkler for artificial irrigation. Illustrated brochure available on loan from Trade Opportunities Staff, BDSA-541, Rm. 4053, U.S. Dept. of Commerce, Washington, D.C. 20230. Scan Pasa AB (manufacturer, exporter), Fack, Alviksvagen 30, S-161 15 Bromma. WTD 2/69.

384 Surgical, medical, dental instruments

ARGENTINA—Denture materials. Export price list available from Trade Opportunities Staff, BDSA-541, Rm. 4053, U.S. Dept. of Commerce, Washington, D.C. 20230. Prothoplast S.A.I.C. (manufacturer, exporter, importer), c/o Elias Guitelman, 25 de Mayo 168, 5° Piso, Of. 35, Buenos Aires. WTD in preparation.

Visiting Buyers and Officials

AUSTRALIA—James Coulthart, gen. mgr., DGM Frigrite Rural Co., South St., Rydalmere, N.S.W., **interested in import/distribution and license/manufacture of farm machinery and equipment, particularly lot feeding systems and equipment for hogs, chickens and sheep, forage harvesters, haymaking machinery, grain augers, mill mixers, feed pellitizers.** Mar. 15 via San Francisco through Apr. 21. c/o New South Wales Center, 680 Fifth Ave., New York, N.Y. 10019. Itinerary: cities in Calif., Neb., Kansas, Mo., Iowa, Minn., Ill., Ind., Ohio, New York, New Jersey. WTD under revision.

ENGLAND—J. L. Bird, gen. mgr., and M. S. Passingham, gen. sales mgr., Ultronic Data Systems Ltd., 35/37 Park Road, London N.W. 10, **interested in investigating possible marketing and manufacturing franchises in the following product/market areas or related areas: computer input/output, data collection, data communication, data preparation, magnetic tape data preparation equipment, ranges of office machines with a systems capability.** Apr. 6 via New York for approx. two weeks. c/o M. Broe, 2424 Riviera Drive, Vienna, Va. 22180. Itinerary: New York, Washington, Los Angeles. WTD 4/68.

INDIA—Madhusudan N. Dalal, Beharilal Beniprasad Exports & Imports Pvt. Ltd. and Jaipuria International, 52 Janpath, New Delhi, **interested in exporting Indian handicrafts, handloom fabrics, imitation jewelry and in exploring market for Indian books and periodicals.** Early April via New York for 60-90 days. c/o Paul Charry, 493 11 Ave., New York, N.Y. 10018. Itinerary: New York, Washington, Philadelphia, Chicago, Detroit, Los Angeles, Honolulu. WTD in preparation.

JAPAN—Shigeo Aoki, deputy manager, Research Dept., Hosiden Electronics Co. Ltd. (Hosi Denki Seizo Kabushiki Kaisha), 33-go, 4-ban, Kitakyuhoji 1-chome, Yao-shi, Osaka, **interested in technical licensing for production in Japan of heads for tape recorders.** Mar. 20 via Chicago for one month. c/o Kanematsu-Gosho (U.S.A.) Inc. in New York, Los Angeles, and San Francisco. Itinerary: Chicago, New York, Washington, Chicago, Los Angeles, San Francisco. WTD 7/68.

SOUTH AFRICA—Mrs. S. Smiedt, Louis Smiedt Wholesalers (Pty.) Ltd., Toronto House, 110 President St. or P.O. Box 6700, Johannesburg, **interested in acquiring distributorships and/or agencies in housewares, table appointments, novelties, men's leather giftware.** Apr. 1 via New York for 2-4 weeks. c/o Anglo African Shipping Co., 16 E. 34 St., New York, N.Y. 10016. Itinerary: New York, Chicago, Corning, N.Y., others as required. WTD 8/65 under revision.

D. Hart, representing his own companies, 6 Louise St., Observatory Extension, Johannesburg, **interested in information about and possible import of U.S. cafeteria equipment for own hotel and cafeteria.** Apr. via New York for approx. two weeks. c/o Mr. Heryenberg, 304 Windsor Terrace, White Plains, N.Y. 10601. Itinerary: New York, White Plains. WTD in preparation.

Louis Safro, owner, Utility Sales Corp., 176 Market St., Johannesburg, **interested in acquiring agencies for U.S. electrical material, industrial and domestic.** Mar. 16 via New York for 24 days. c/o Statler Hilton Hotel, 930 Wilshire Blvd., Los Angeles, Calif. 90017, or San Francisco Hilton, Mason & O'Farrell Sts., San Francisco, Calif. 94128. Itinerary: New York, 4/4-6 Los Angeles, 4/7-9 San Francisco. WTD 10/67 under revision.

R. M. Belinsky, property mgr., Johannesburg Building Society, P.O. Box 421, Johannesburg, **interested in technical information on property and housing development techniques, financing of housing and allied subjects.** Mar. 27 via New York for three weeks. c/o South African Consulate General, 655 Madison Ave., New York, N.Y. 10002, through Apr. 1; Apr. 2-5 South African Embassy, 3101 Mass. Ave., NW., Washington, D.C. 20008. Itinerary: New York, Washington, Chicago, Detroit, San Francisco, Los Angeles, Miami. WTD in preparation.

Malaysia to purchase communication equipment

The Ministry of Information and Broadcasting of Malaysia, has issued Tender No. 222-153, for the supply and installation of audio equipment and systems for a New Radio House in Kuala Lumpur. Bid deadline is June 10.

Bid should offer audio consoles, editing console, microphones, tape recording equipment, including cartridge systems, and duplicating equipment; disc reproducing equipment, loudspeakers, amplifiers, and allied equipment.

Copies of tender announcement and specifications are available from the N. J. Pappas & Associates, 5253 Decarie Blvd., Montreal 29, Canada; or at 20, Jalan 16/5, Petaling Jaya, Selangor, Malaysia; or The Ministry of Information & Broadcasting, Malaysia, Angkasapuri, Bukit Putri, Kuala Lumpur, Malaysia, or on a short-term loan basis to firms located in the U.S. from the Communications and Electronics Div., BDSA-643, Rm. 4209, Dept. of Commerce, Wash., D.C. 20230.★ (Tel.: 202-967-4823).

New Trade Lists

The Bureau of International Commerce has published the following new trade lists of which mimeographed copies may be obtained by firms domiciled in the United States from BIC-924, U.S. Department of Commerce, Washington, D.C. 20230, and from Department of Commerce Field Offices. The price is $1 per list for each country. All are dated March.

American Firms, Subsidiaries and Affiliates—United Arab Republic (Egypt).
American Firms, Subsidiaries and Affiliates—Greece.
American Firms, Subsidiaries and Affiliates—Morocco.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

ARGENTINA—The Argentine Sanitary Works Department is making an international call for bids for the construction of a **sewage treatment plant,** in the city of San Fernando in the Province of Buenos Aires, within 12 miles of the Federal Capitol.

The concessionary will operate the plant for a period up to 20 years with a daily treatment of about 200 cubic meters of sewage. The official budget estimate for the building of this plant is one billion Argentine pesos ($1 = 350 Argentine pesos).

The Argentine Sanitary Works Department will contribute 20% of the financing of this project.

Interested U.S. firms should contact: Administracion General de Obras Sanitarias de la Nacion, Marcelo T. de Alvear 1840, Buenos Aires, Argentina.

AUSTRALIA—The New South Wales Department of Main Roads plans to build a **traffic tunnel** to bypass the Kings Cross area of Sydney which is situated mainly on top of a hill. The project calls for an excavation 1,500 feet long by 80 feet wide. About 800 feet will be decked over to form the tunnel through which a divided four-lane highway will run. Provision will be made for six lanes. The cost of the entire project is estimated at $A10 million ($11.2 million).

Work on the tunnel is expected to begin about 1970. It is likely that tenders will be invited from "prequalified" firms. Drawings and photographs illustrating this project and details of the prequalification scheme are available from: The Secretary, Department of Main Roads, 309 Castlereagh St., Sydney, N.S.W. 2000, Australia.

SOMALIA—The Somali Government has decided to build a new **two-berth deep-water port** for the Mogadiscio at Ras Sif, about one mile from the existing port.

The French consulting firm, Societe Grenobloise d'Etudes et d'Applications Hydrauliques (SOGREAH), which made the preliminary study, has been retained for the detailed engineering, to be completed in about nine months. The International Development Association has granted a credit of $550,000 for this final study.

It is estimated that construction of the port at Ras Sif will cost the equivalent of about $15 million. Because of Somalia's financial situation, most of the financing will have to come from external sources. Undertaking the final engineering now will permit the construction of the new facilities to commence without undue delay when construction financing can be arranged.

New Books and Reports

***McGraw-Hill Directory and Almanac of Canada 1969.* Published by McGraw-Hill Book Co. New York. 1969. 864pp. $17.50.**

The fourth annual edition of this publication has been completely revised and nearly 12,000 individual entries have been updated.

A new section on Telecommunications in Canada has been added, as well as postal zone maps for four newly zoned cities. A listing of radio and television stations, which was dropped from the 1968 edition, has been restored. The weights, measures, and standards section has been expanded to include nautical measurements and the Beaufort Scale of wind force.

Among other data included in the volume is a list of classified Canadian associations and societies, with permanent addresses, and a compilation of listed stocks giving long-term percentage change figures.

Write: McGraw-Hill Book Co., 330 West 42nd St., New York, N.Y. 10036.

***Argentina: An Economic Study.* Published by the First National City Bank. New York. 1969. 32pp. Free.**

The First National City Bank's economic study reports that the wage-price spiral in Argentina is under control for the first time in a generation. It credits the action program begun in 1967 by the Ongania government with this accomplishment.

This report examines the action program against the background of Argentina's basic economic problems: slow growth and endemic inflation. Achievements to date are analyzed and a preliminary estimate is made of chances for ultimate success.

A limited number of copies are available from: Publications Section, First National City Bank, 399 Park Ave., New York, N.Y. 10022.

***Communist International Economics.* By P. J. D. Wiles. Published by Frederick A. Praeger. New York. 1969. 566pp. $12.50.**

Professor Wiles starts with a general discussion of the Marxist economic tradition with regard to foreign trade, and covers every phase and aspect of the international economics of Communist countries, distinguishing the policies and problems of each. Chapters deal with such topics as inflation, the balance of payments, trade structure and development policy, Comecon, bilateralism, and economic warfare.

The author places new emphasis on the political nature of foreign economic relations and on the role of invisible as well as visible trade.

Write: Frederick A. Praeger, Publishers, 111 Fourth Ave., New York, N.Y. 10003.

International business survey results published

Results of a survey by the National Industrial Conference Board mentioned in the March 17 issue of *International Commerce* are now available in published form.

The NICB has issued *The Outlook for Overseas Production and Trade,* which is available at $5 from its headquarters, 845 Third Ave., New York, N.Y. 10022. The booklet is priced at $1 for NICB Associates, government agencies, students and teachers (mailed to school address).

Some 180 leading international executives were asked by the NICB to look ahead three years and project the trend of their companies international business—exports, imports and foreign production.

***Latin America 1969.* By Hartley F. Dame. Published by Stryker-Post Publications. Washington, D.C. 1969. 89pp. $1.75.**

Now in its third annual edition, this volume begins with an historical background of the whole area, follows with chapters on governments after the colonial period, the Organization of American States, the Alliance for Progress, and the modern active guerrilla movements.

Twenty four countries and the dependent territories of the Western Hemisphere are covered. Information on each country includes: history, geography, government, politics, culture, and economy. There are maps of each country and of the region as a whole.

Write: Stryker-Post Publications, 6330 Utah Ave. NW., Washington, D.C. 20015.

***Economic Survey of Spain.* Published by the OECD. Paris. 1969. 64pp. 80 cents.**

This is the latest title in this series of economic studies for member countries, published annually by the Organization for Economic Cooperation and Development. The booklet contains information on the 1967 adjustment and the devaluation, economic developments in 1968, and prospects and policy issues.

Tables include national accounts, industrial origin of gross domestic product, prices and wages, public finance, money and credit, balance of payments, foreign trade, and others. A statistical annex covers agricultural production, mining and manufacturing production, employment, hourly earnings, fiscal receipts, etc.

Write: OECD Publications Office, Suite 1305, 1750 Pennsylvania Ave. N.W., Washington, D.C. 20006.

***U.S. Exports and Imports 1958-68—Adjusted and Unadjusted Data With Seasonal and Working-Day Factors.* Published by the Bureau of the Census. Washington, D.C. 1969. 175pp. $1.50.**

Tables and charts are presented on: exports, general imports, and merchandise trade balance; exports of domestic and foreign merchandise; general imports of merchandise; exports of domestic merchandise; and general imports of merchandise by world area.

Write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or any Commerce Department Field Office.

***100 Sources of Free Current Information on Latin American Development.* Published by Squirrel Publications. Washington, D.C. 1968. 9pp. $1.**

Free periodically published information on Latin American development has grown in recent years. The publications listed in this short bibliography contribute to the store of timely data on Latin America, though some of them are not exclusively devoted to that region.

All of the publications listed are issued free, but some of them have controlled circulations.

Write: Squirrel Publications, Box 14164, Ben Franklin Station, Washington, D.C. 20004.

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Calendar *for international traders*

BUFFALO—Apr. 11—Businessmen's Consultation, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

CHICAGO—Apr. 8—In-Office Meeting, Chicago Field Office.

CHICAGO—Apr. 9—Businessmen's Consultation, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

CHICAGO—Apr. 10—International Trade Club monthly luncheon meeting, LaSalle Hotel, 12:15 p.m. Speaker: Edson W. Spencer, vice pres., Honeywell, Inc.

CLEVELAND—Apr. 9—Roundtable on Export Problems, Commerce Field Office, 10 a.m.

DANBURY, Conn.—Apr. 10—Foreign Trade Class on Quotation & Documentation, Chamber of Commerce, 7 p.m. Sponsors: Commerce Hartford Field Office, REEC, Chamber of Commerce.

DAYTON, O.—Apr. 9—2nd Annual Export Trade Workshop, "Organizing for Export—Outside Specialist," Rm. 310, Kennedy Memorial Union, University of Dayton, 7:30 p.m. Sponsors: Commerce Cincinnati Field Office, REEC, Chamber of Commerce, U. of Dayton.

DENVER—Apr. 7—Businessmen's Consultation, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

DETROIT—Apr. 8—Export Seminar, Rm. 445, Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

DETROIT—Apr. 10—Businessmen's Consultations, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

DETROIT—Apr. 10-11—International Management Seminar, "How To Get Into Export Marketing" Graduate School of Business, University of Michigan. Co-sponsor: Commerce Field Office.

DETROIT—Apr. 17—World Trade Club of Detroit, Pick-Ft. Shelby Hotel, 6 p.m.

DOYLESTOWN, Pa.—Apr. 7—International Trade Development Assn. of Bucks County monthly meeting, Conti's Cross Keys Inn, 5:30 p.m.

HONOLULU—Apr. 16—Export-Import Workshop, Rm. 286, Alexander Young Bldg., 10 a.m. Sponsors: Commerce Field Office, Small Business Admin. Field Office.

KANSAS CITY—Apr. 10—Export Development Workshop, Federal Office Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

KANSAS CITY—Apr. 15—Meeting for Exporters on Selling U.S. Products in the Emerging African Nations, Top of the Tower, 5:30 p.m. Sponsors: Commerce Field Office, REEC, International Trade Club.

KANSAS CITY—Apr. 16—Export Procedures Course, Documentation, Ten Main Ctr., 6:30 p.m. Sponsors: Commerce Field Office, REEC, Int'l Trade Club.

MEMPHIS—Apr. 8—First of 7 Export Educational Seminars, "Organizing for Export," Auditorium, Memphis Board of Education. Sponsors: Commerce Field Office, REEC, Small Business Admin., Mid-South Exporters' Roundtable, Memphis Div. of Vocational Education.

MIAMI—Apr. 18-19—Third Annual Institute on Business Transactions in Latin America, Sheraton-Four Ambassadors Hotel. Sponsor: University of Miami Law Center.

MINNEAPOLIS—Apr. 8—Businessmen's Consultation, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

MINNEAPOLIS—Apr. 8—Export Trade Workshop on Handling the Export Order; Moving the Goods, Rm. B-29, Federal Courts Bldg., 3 p.m. Sponsors: Commerce Field Office, Minn. World Trade Assn., Upper Midwest REEC.

MINNEAPOLIS—Apr. 10—Export Seminar on Marine Insurance on Export Cargo, Rm. B-29, Federal Courts Bldg., 3 p.m. Sponsors: Commerce Field Office, Upper Midwest REEC.

NEW HAVEN—Apr. 9—Foreign Trade Class on Financing Export Shipments, 1st New Haven National Bank, 7 p.m. Sponsors: Commerce Hartford Field Office, REEC, Chamber of Commerce, 1st National Bank.

NEW YORK—Apr. 14-16—Businessmen's Consultation, **Paul McCusker, Economic Counselor, Djakarta.** Sponsor: Commerce Field Office.

NEW YORK—Apr. 17—FCIB Drug, Chemical & Food Export Club, Advertising Club, 12:15 p.m.

NEWARK, N.J.—Apr. 17—Profits in Exports meeting, Small Business Administration, 970 Broad St. Sponsors: Commerce N.Y. Field Office, REEC, Small Business Admin.

PHILADELPHIA—Apr. 8—2nd Annual Int'l Marketing Seminar, Sheraton Hotel, 2 p.m. Followed by monthly dinner meeting; topic: New Marketing Opportunities in Eastern Europe. Sponsor: Foreign Traders Assn. of Philadelphia.

ST. LOUIS—Apr. 15—"Show You" Export Workshop, Conference Room, Federal Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

SEEKONK, Mass.—Apr. 15—Providence World Trade dinner meeting, Old Grist Mill, 5:30 p.m.

STAMFORD, Conn.—Apr. 7—Foreign Trade Class, "Phases of Int'l Transportation," Chamber of Commerce, 7 p.m. Sponsors: Commerce Hartford Field Office, REEC, Fairfield County Trust Co., Chamber of Commerce.

TRENTON, N.J.—Apr. 11—Delaware Valley International Trade Assn. monthly meeting, Don Young's Restaurant, 12:15 p.m.

WAYCROSS, Ga.—Apr. 17—International Trade Seminar, Holiday Inn, 10 a.m. Sponsors: Ga. Dept. of Industry & Trade, Slash Pine Area Planning & Development Commission.

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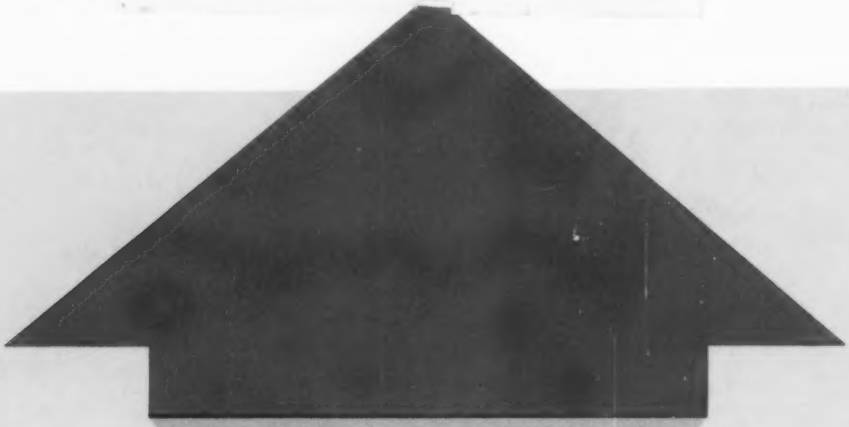

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